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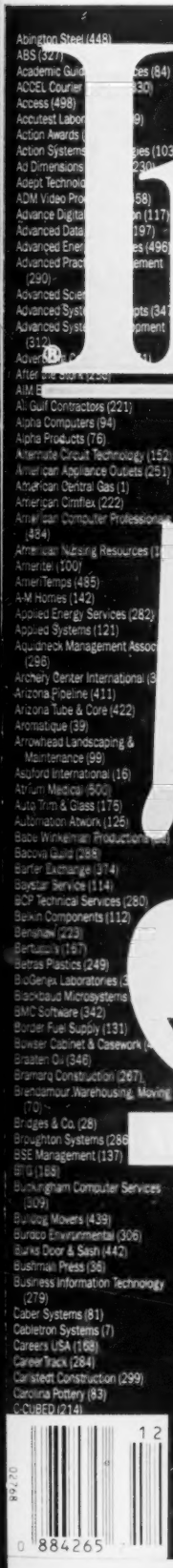
Inc. 500



CONTENTS

FEATURES

40 FACE-TO-FACE
How to Build an INC. 500 Company
Tom Golisano did it once with Paychex. Now he's out to do it again—and this time he knows what he's doing

62 **In Praise of Growth** *BY JOHN CASE*
Introducing 1988's INC. 500: the fastest-growing private companies in America

71 **At a Glance**
Interesting facts about the INC. 500

73 **The INC. 500 Index**
An alphabetical listing of the companies

76 #1: AMERICAN CENTRAL GAS
Cookin' with Gas *BY CURTIS HARTMAN*
The energy industry? Tulsa, Oklahoma? The last place you'd expect to find America's fastest-growing company

81 **The List of Companies**
From #1 to #500, facts on growth, revenues, employees, and profits

118 A DAY IN THE LIFE OF AN INC. 500 COMPANY
The Growth Ethic *BY PAUL B. BROWN, E.J. KAHN III, CURTIS HARTMAN, & EDWARD O. WELLES*
Growth of 18,000%, whether nightmare or dream, transforms how your business works

COLUMNS

29 **The New Economy:** After the Crash. *BY DAVID L. BIRCH*
The real reason why the economy is still going strong

35 **Required Reading:** Future Shocks. *BY JOHN CASE*
Why tomorrow's marketplace may be murder on small companies

141 **Marketing:** License to Steal. *BY PAUL B. BROWN*
What's in a name? According to the folks who bring you Vidal Sassoon hair dryers, about $84 million a year

145 **Going International:** The Partnership Route. *BY JOSHUA HYATT*
It's possible to crack a foreign market on your own, but you may live to regret it

151 **Finance:** Weighing Your Debt Load. *BY CHARLES W. KYD*
How to figure out whether you're making or losing money on the cash you borrow

154 **The Law:** The Pitfalls of Employee Leasing. *BY MARISA MANLEY*
The pitch is that you'll save time, money, and hassles. Don't believe it

159 **Capital:** On Borrowed Time. *BY THOMAS E. BENNETT JR.*
How to get your banker thinking about something other than short-term debt

163 **Executive Software:** Someday I'll Get Organized. *BY PAUL A. STRASSMANN*
Thanks to a new generation of software, now may be the time

167 **Managing Technology:** Seeing Is Believing. *BY CARY LU*
Some tips on the use of video camcorders in business

175 **Taxes:** The New Benefits Law. *BY JAY BRANDZEL*
. . . plus gift deductions, consumer-interest strategies, and help for employees with dependents

DEPARTMENTS

9 **Letters:** Cary Lu versus the critics; small is better; why lawyers exist

18 **Insider:** Emerging trends; hot start-ups; and people

138 **Hands On:** Tips on hiring; marketing; and dealing with bankers

188 **Investing in Growth Companies/Street Talk:** A bad 'reform'

INC. COVER STORY

118 Adept Technology
A day in the life of an INC. 500 company

40 Tom Golisano
A new model for fast growth

145 Gordon Lankton
Going international with joint ventures

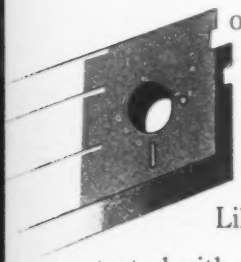
THE 1988 INC. 500

AMERICA'S FASTEST-GROWING PRIVATE COMPANIES

IN PRAISE OF GROWTH

It happens every year. Each December, INC. lists the 500 fastest-growing privately held companies in America.

And each December, some hapless writer is assigned the job of finding fresh, new ways of describing these companies' accomplishments.



This year the writer was me.

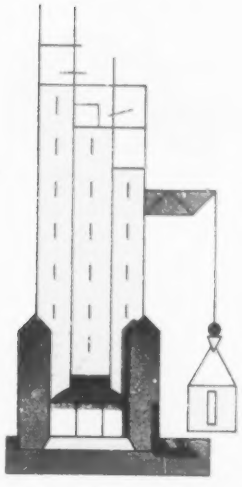
Like my colleagues before me, I started with visions of thumbing through the thesaurus in search of synonyms for "explosive" (as in growth) and "heroic" (as in achievement). Of dreaming up yet another way to explain the meaning of an 82,168% growth rate. Of piling adjective upon adjective in a desperate attempt to make this year's list of laureates sound even more impressive than last year's (and, of course, to make my prose sound more impressive than my predecessor's).

But discretion, I decided, was the better part of valor.

Who needs adjectives? The facts about the INC. 500 are startling enough. Besides, there's a pressing issue raised by our annual listing of the 500, and it usually gets lost amidst the hyperbole. If we give up on finding ever-more-clever ways to praise these high-flying companies, we can take a closer look at whether a listing on the INC. 500 is such a shining symbol of success after all.

For the entrepreneur, this is a matter of some concern. Maybe warp-speed growth of the sort typified by the 500 is not only risky but downright dangerous. Maybe, as more than a few businesspeople have argued over the years, INC.'s lists

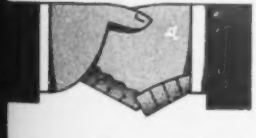
ILLUSTRATIONS: MARK FISHER



glorify growth at the expense of good management, good products, and, most of all, good profits.

Maybe—let's be blunt—aiming for a spot on the INC. 500 is no way to run a business.

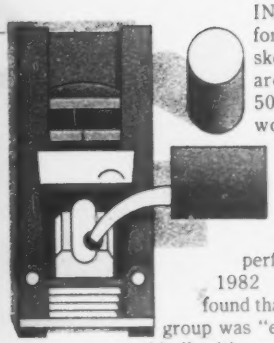
To make the list, no doubt about it, a company has to grow *fast*. Up at the top, where hotshots like American Central Gas Cos. (#1) find their place, the percentages dazzle the imagination (see "Cookin' with Gas," page 76). But look way down at the bottom, the cutoff point, occupied this year by Atrium Medical Corp. (#500). Atrium's revenues rose 638% from 1983 through 1987, a 65% compound annual growth rate. Plenty of entrepreneurial companies can hit that figure for one year. A few can do it for two. But to make the INC. 500 a company has to sustain the pace for a full five years.



But, critics charge, it's just this kind of growth that can be hazardous to a company's health.

For starters, they point to the INC. 500's always-shaky profitability figures. Each INC. 500 shows fully half the companies currently reporting return on sales of between 1% and 5%—less than my kids earn on their passbook savings accounts—while another 50 or so companies report break-even or loss. When *Business Week* began its own listing of (public) growth companies a few years ago, it pointedly called its list "the best small growth companies"—*not* the fastest-growing—and included profitability among its criteria for inclusion. By comparison, too many 500-style companies seem to be living out the old saw about selling at a loss and making it up in volume.

Then there's the what-goes-up-is-pretty-damn-likely-to-come-down theory. Your



company's on the INC. 500? Bully for you, says the skeptic. The odds are better than 50-50 that you won't make it again. When INC. columnist David L. Birch tracked the post-listing performance of the 1982 INC. 500, he found that nearly half the group was "extremely unstable," with periods of decline regularly following periods of growth. At times explosive growth covers up truly fundamental problems. Even as the #1 company of a few years ago, Herbalife International Inc., was topping the list, it was coming under blistering attack by regulatory agencies for false advertising. At last report it had shriveled to one-third its peak size.

Fast growth is not only evanescent, argues management theorist Peter Drucker, it actually makes a company weaker. "Growth at a high rate and for an extended period is . . . anything but healthy," he writes in his classic text *Management*. "It makes a business—or any institution—exceedingly vulnerable. It makes it all but impossible to manage it properly. It creates stresses, weaknesses, and hidden defects which, at the first slight setback, become major crises."

Drucker's grave conclusion: "There are few exceptions to the rule that today's growth company is tomorrow's problem."

Before we climb on this bandwagon of caution, however, let's take a moment to ask if there isn't a reason for listing, writing about—yes, even celebrating—growth. Not careful, well-managed growth. Not growth with profits. Just hard-driving, pedal-to-the-metal, INC. 500–style *growth*.

From a macroeconomic standpoint, it's an easy case. As Birch and others have shown, it's the fastest-growing companies that create the jobs—more and more of them every year. "The percentage of job growth attributable to the fastest-growing 5% of companies," says Birch, "is going up, not down." The effects show up in a state such as Georgia, #6 on INC.'s ranking of the states in October, and home of 22 INC. 500 companies this year, up from only 10 five years ago. From the economic-development perspective it scarcely matters that a fast-growing company's jobs may be something less than permanent. Any booming business stimulates a local economy, encouraging other companies to start up or expand. The process can continue even if a few of the highest flyers take nosedives.

From a manager's standpoint, the case for unbridled growth may not seem so obvious. But by many measures a rapidly growing company is succeeding better than any other business, big, small, or in-between.

A fast-growing company by definition is satisfying a market that was unsatisfied before. If the purpose of a business is to create and keep customers, as Harvard Business School's Theodore Levitt argues, then companies like those on the 500 are fulfilling that fundamental purpose every day, in spades. What's striking about this year's list is that they're creating customers in all kinds of industries, all over the map. Adept Technology Inc. (#8) may be the most consistently profitable U.S. robotics company, even exporting its robots to Japan (see "The Growth Ethic," page 118). Just Fish Inc. (#392), in Winslow, Wash., produces and markets seafood products; SCR Coaches Inc. (#315), in Fargo, N.D., provides tow, travel, and bus services. Forty-four states and the District of Columbia have at least one company on the list; 17 of those have at least 10.

Frequently, fast growth is the only way a company can establish and protect a market. The heart of entrepreneurship, after all, is innovation: offering a new product, a new service, or a new combination of price and value. But in this age of high-speed travel and instant communication, any innovation that works will soon have a host of imitators, some bigger and better financed than the pioneer.

In such a situation, says Rosabeth Moss Kanter, author of *The Change Masters*, "rapid growth may be something you have no choice about. You either grow explosively, meeting all the demand, or the competition comes in to meet it." That's an observation sadly ignored by Remington Rand Inc., which introduced computers to the world back in the 1950s only to be overtaken by a much more aggressive IBM Corp. But it's a point well noted by West Coast

LESSONS FROM THE LIST

INC. asked a handful of business and economic experts to cast their educated eyes over the 500s of the past few years. What did the listings tell them about where our economy is headed? What did they find surprising, or worrisome, about the companies that made the lists? Some responses:

ROBERT B. REICH, author, *Tales of a New America*:

"The decline in the growth of telecommunications—only 2% of the list this year as opposed to 5% in 1983—concerns me. Telecommunications lie at the heart of information technology. If growth here is slowing down, we need to be concerned about growth in the rest of the economy over time.

"On the positive side, growth in the industrial belt—Michigan, Pennsylvania, New Jersey—is up. This is part and parcel of a resurgence of American manufacturing, and may be the harbinger of a renaissance in industrial America."

JAMES O'TOOLE, editor, *New Management* magazine:

"I'm impressed by the range of goods and services offered by these companies. At the same time, many of them seem to be in construction, retailing, services—the industries that don't have to compete with foreigners. If there's a worry here, it's that.

"One of the longer-term patterns we're seeing is that fewer employees are now generating larger sales. So productivity is as much an issue in these businesses as it is in the *Fortune* 500. Since what we really need are increases in productivity, that is good news."

ROSABETH MOSS KANTER, author, *The Change Masters*:

"These companies are clearly taking advantage of the opportunities created by social and technological change. But what you see here is the rapid-start phenomenon. Most of them are fairly new and are likely to reach some kind of natural limit to their growth.

"Once a company reaches that limit, it has to ask how do we get new products, how do we hold the market we've got, how do we transmit our values to this larger group of employees. It isn't easy—Nike, for example, temporarily lost sight of the social and technological changes that gave it its start. Nike invented running, but it missed aerobics and had to catch up."

Video Ltd. (#4), which expanded very quickly in the nascent video-rental industry by learning to franchise its expertise. As it happens, West Coast is already pleasantly profitable, reporting returns in the 11% to 15% range. But even if the economics of the industry had been different—even if founder Elliot Stone had had to sacrifice profits for a longer period of time—the investment might have been worthwhile. In a booming market, growth is the only measure of success.

In the end, the argument over growth comes down to cases: some companies may grow too fast, others not fast enough. And granted, it's never an all-or-nothing proposition. Even the fastest-growing companies will reach a point—Kanter calls it the "entrepreneurial crisis point"—when they have to pay as much attention to costs and quality as to market share. A business eventually needs profits to survive.

But before we all get out our spreadsheets, let's not forget that business isn't all P&Ls. One of the glories of privately held companies, in fact, is that the bottom line can stay at the bottom, and that the people who run those companies don't have nervous pension-fund managers looking over their shoulders.

In this light, so what if you sacrifice some of your company's profits to growth? Growth is fun. When a company's growing, there's an air of excitement each day, a common sense of opportunity, expanding horizons, and boundless futures. And there's reality behind those feelings. Young people who begin at entry-level jobs find themselves running a division a year or two later. Workers learn new skills; managers take on new responsibilities; employees with entrepreneurial gifts learn how to use them. People pull together rather than pursue their own interests.

The results can only be beneficial. "A firm is never static—it is either growing, or stagnating," writes Tom Peters in *Thriving on Chaos*. "Stagnation . . . is enervating, negatively affecting every element of the firm. Excitement (growth) spurs performance; contraction doesn't." Birch, for his part, points out that while growth is often followed by decline, stagnation is often followed by failure.

Maybe growth can't go on forever. And maybe it is risky. Does that mean we shouldn't celebrate it—and the companies, like this year's INC. 500, that have proven themselves so adept at it?

Not for my money. I'm not prepared to argue that every company should aim at finding itself, some day, on the INC. 500. But I am prepared to hand it to those who do. *—John Case*

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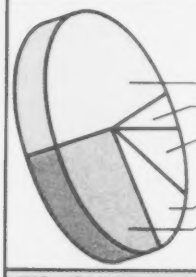
1988 INC. 500

AT A GLANCE

INC. 500 BY SECTOR



Service	44%
Construction	9%
Retail	10%
Distribution	11%
Manufacturing	26%

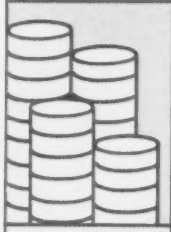
INC. 500 BY INDUSTRY

Business service	21%
Computer-related	20%
Construction & engineering	13%
Consumer goods	18%
Industrial equipment	11%
Medical & pharmaceutical	6%
Publications & media	5%
Telecommunications	2%
Other	4%

WHAT HAPPENED TO THE CLASS OF 1987?

1988 INC. 500	32%
Failed to reapply	19%
Sales went down	6%
Went public or were acquired	5%
Went out of business	0.2%
Growth below #500	36.8%
Did not qualify	1%

HISTORY OF GROWTH: THE AVERAGE INC. 500 COMPANY



SALES

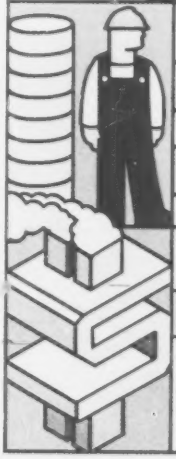
1983 $871,678

1987 $13,153,224

EMPLOYEES

1983 20

1987 104



PRODUCTIVITY

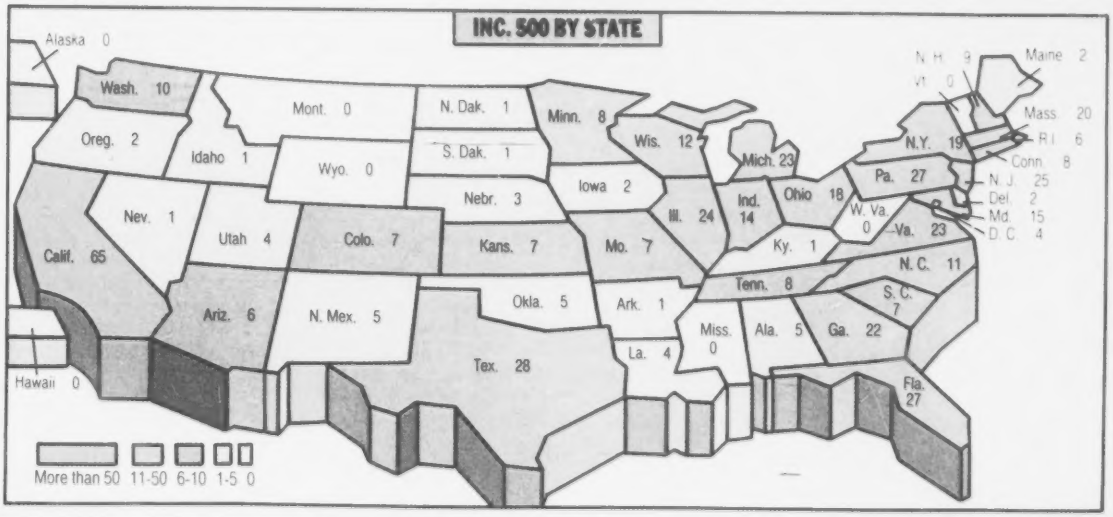
1983 $43,[illegible]

1987 $126,976

PROFITABILITY (Net income as a percentage of sales)

	Loss	Break-even	1% to 5%	6% to 10%	11% to 15%	16% or more
1983	31.2%	8%	27.4%	15%	8.6%	9.8%
1987	5.8%	3.6%	49.6%	22.4%	4%	10.2%

INC. 500 BY STATE



CHARTS BY RADIO MAYONNAISE ELLA

THE 500 INDEX

Abington Steel (448)
ABS (327)
Academic Guidance Services (84)
ACCEL Courier Systems (330)
Access (498)
Accutest Laboratories (409)
Action Awards (427)
Action Systems Technologies (103)
Ad Dimensions Products (230)
Adept Technology (8)
ADM Video Productions (458)
Advance Digital Information (117)
Advanced Data Products (197)
Advanced Energy Industries (496)
Advanced Practice Management (290)
Advanced Sciences (370)
Advanced Systems Concepts (347)
Advanced Systems Development (312)
Advertising Consultants (271)
After the Stork (236)
AIM Executive (492)
All Gulf Contractors (221)
Alpha Computers (94)
Alpha Products (76)
Alternate Circuit Technology (152)
American Appliance Outlets (251)
American Central Gas (1)
American Cmflex (222)
American Computer Professionals (484)
American Nursing Resources (108)
Ameritel (100)
AmeriTemps (485)
A-M Homes (142)
Applied Energy Services (282)
Applied Systems (121)
Aquidneck Management Associates (296)
Archery Center International (307)
Arizona Pipeline (411)
Arizona Tube & Core (422)
Aromatique (39)
Arrowhead Landscaping & Maintenance (99)
Ashford International (16)
Atrium Medical (500)
Auto Trim & Glass (175)
Automation Atwork (125)
Babe Winkelman Productions (88)
Bacova Guild (288)
Barter Exchange (374)
Baystar Service (114)
BCP Technical Services (280)
Belkin Components (112)
Benshaw (223)
Bertucci's (167)
Betras Plastics (249)
BioGenex Laboratories (305)
Blackbaud Microsystems (130)
BMC Software (342)
Border Fuel Supply (131)
Bowser Cabinet & Casework (493)
Braaten Oil (346)
Bramarq Construction (267)
Brendamour Warehousing, Moving (70)
Bridges & Co. (28)
Broughton Systems (286)
BSE Management (137)
BTG (188)
Buckingham Computer Services (309)
Bulldog Movers (439)
Burdco Environmental (306)
Burks Door & Sash (442)
Bushman Press (36)
Business Information Technology (279)
Caber Systems (81)
Cabletron Systems (7)
Careers USA (168)
CareerTrack (284)
Carlstedt Construction (299)
Carolina Pottery (83)
C-CUBED (214)
CDC Financial (363)
CEBCOR (13)
Cencom Cable Associates (362)
Chattahoochee Geotechnical Consultants (155)
ChemDesign (132)
Chemical & Industrial Engineering (40)
Chesapeake Industrial Leasing (466)
CIMLINC (407)
Cinecom Entertainment Group (338)
C.J.P. Development (441)
Clearpoint Research (179)
Coast Surveying (490)
Coastal Production Services (463)
Coddbarrett Associates (154)
Coltron (359)
Columbus Wood Products (104)
Cominear (361)
Command Security (444)
Communications Design (276)
Communications International (29)
Comptronix (10)
CompuAdd (47)
Computer Advisory Group (438)
Computer Consulting Services (459)
Computer Management & Dvlpmt Services (481)
Computer Shopper of Titusville (148)
Computer Source (499)
Computerware (292)
Comstock Creations (200)
Comtrak (92)
Concept Omega (20)
Consolidated Planning (206)
Construction, Contracting & Management (52)
Consul-Tech Engineering (452)
Consumer Health (337)
Continental Traffic Service (420)
Continuous Forms & Checks (348)
Control Systems (226)
Core International (285)
Corporate Merchandise (291)
Corporate Supply (435)
Corporate Visions (393)
Corporate Wings (124)
COSMOS (383)
Covalent Systems (18)
Creative Home Collections (127)
C.R. Klewin (210)
Crown Products (218)
Crux Computer (96)
Curner Construction (390)
Custom Living Homes & Communities (143)
Cyberchron (354)
Dash, Straus & Goodhue (206)
Data Share (248)
DATASEC (150)
Data Source Media (185)
Data Systems Computer Centre (434)
Datel Systems (24)
D.D.F. Transportation (134)
Design East Interiors (331)
Dewar Information Systems (115)
Diedre Moire (139)
Distribution Plus (51)
DMI Products (410)
Domation (471)
Dura Temp (317)
Early & Associates (235)
East Coast Computer Systems (116)
Eastern Marine Construction (55)
EC (415)
Electronic Liquid Fillers (194)
Emmis Broadcasting (250)
Empire Roofing (456)
E-mu Systems (468)
Encore Marketing International (360)
Energy Services Group International (49)
Enreco (22)
Epcom (494)
ERA Computers & Electronics (488)
ERM Group (353)
Exact Solutions (195)
Express Services (9)
Eye Spy Photo (268)
Facter, Fox & Associates (201)
Far West Freight Consultants (128)
FG*I (68)
FiberCom (120)
Financial Supermarkets (211)
1st American Rental Center (66)
First Manhattan Consulting Group (259)
Five Star Industrial Services (482)
Flagstaff Engineering (281)
FLC Instruments (381)
FLS Services (229)
Forecast Mortgage (159)
Francois Richartz Weiman & Fiss (396)
Frontier Engineering (295)
Future Shape International (60)
GAR-P Industries (326)
Garrett/Lynn & Partners (431)
Gary A. Taylor Construction (269)
Gates Distributing (41)
Georgia Mountain Water (320)
Geoscience Consultants (67)
Ghafari Associates (270)
GHR Engineering Associates (440)
Ginger Group (225)
Glen Ivy Financial Group (376)
G.O.D. (61)
Good News Travels (395)
Government Technology Services (5)
Grant Wood Specialists (191)
Great Expectations (454)
Great Midwestern Ice Cream (322)
Great Pickings Office Supply & Computer (419)
Great Southeast Construction (98)
Greater Alarm (181)
Greenleaf Health Systems (35)
Group Benefit Services (126)
Group Tech Systems (11)
Hall-Kimbrell Environmental Svcs. (34)
Hanson Graphic (209)
Hard Engineering (227)
Hazardous Waste Consultants (165)
Head West (364)
Health Care Associates (233)
Health Stop Medical Management (178)
HealthStaffers (62)
Helicomb International (319)
Henley International (403)
Herring-Newman Direct Response Advertising (298)
Hill International (278)
H&M Food Systems (12)
Holton Erectors (53)
Hospital Correspondence Copiers (59)
Houston International Teleport (182)
HUB City Kansas City Terminals (402)
Hudson Valley Tree (58)
Human Resources (375)
IFS International (164)
IKR (480)
IMRS (244)
InnovativeComputer Products (325)
InsuranceConsulting Associates (207)
Integrated Systems Analysts (220)
Intelligent Controls (345)
Interactive Business Systems (258)
Intergroup of Arizona (380)
International Galleries (349)
J-B Wholesale Pet Supplies (447)
J.C. Beal Construction (474)
Jenny Craig Weight Loss Centres (6)
Jeta Power Systems (32)
J.H. Beredict & Associates (445)
John B. Sullivan Jr. (453)
Jones & Neuse (428)
J.P. Rhoades Development (21)
J.R. Abbott Construction (202)
J.T. Schimsher Construction (378)
Just Brakes & Affiliates (467)
Just Fish (392)
J.W. Gardner (140)
Kaminari (323)
Karmak Software & Computer Svcs. (384)
Kaselaan & D'Angelo Associates (332)
Kenex Systems (129)
Kenfil Distribution (105)
Key Nursing (476)
Key Resource Group (186)
Kitchen Etc. (472)
KOH Systems (413)
Krieger (404)
KTI (43)
Kultur Video (277)
KVH Industries (176)
La Quemazon Wholesale (213)
Landair Transport (399)
Landmark Hotel (78)
Law Auto Sales (414)
Leather Center (141)
Lely Development (394)
Libertyville Lincoln/Mercury (256)
Life Design Systems (423)
Lighthouse Communications Group (180)
Little & Co. (339)
Logicraft (232)
Logistix (65)
Magna Software (151)
Manitowoc Custom Molding (301)
Marathon Printing (372)
Marketing Masters International (479)
MarketVision Research (470)
Mayfair Computers (294)
McCaren Designs (328)
MCF Machine (289)
Media Cybernetics (432)
MediQual Systems (57)
Metech (122)
Metro Pace Construction (119)
Michigan Paper (33)
Micro Specialist (157)
Microdynamics (260)
Micrografx (265)
MicroProse Software (72)
Microserv Technologies (111)
Microsolutions (85)
MIDA Dental Plans (254)
Mid-Atlantic Medical Svcs. (90)
Millrock (365)
MMS International (430)
Mobile Technology (74)
Molly Maid (273)
Mona, Meyer & McGrath (243)
Montalbano Builders (303)
Morris & Raper Realtors (261)
MPM (436)
Murphy & Associates (483)
National Communications (146)
National Independent Business (293)
National Systems & Research (287)
NCO Financial Systems (389)
Neoterik Health Tech. (145)
Network Controls International (161)
Network Rental (368)
N.H.S. (215)
North American Roofing (255)
N.T.B. Fastening Systems (421)
Numismatic Investments of New England (246)
O/E Automation (245)
Office Solutions (101)
Oil Express (341)
Oldenburg Group (172)
Omega Printing (464)
Oneida Asbestos Removal (324)
Optical Disc (107)
Orbital Sciences (2)
Original Copy Centers (264)
Ortel (149)
Ortho Management Systems (477)
O'Ryan Industries (391)
Osburn Associates (160)
Oscor Medical (79)
Ovation Marketing (333)
Pacific Union Dental (89)
Pacifica Services (38)
ParaData Computer Networks (379)
Park Cardiographics (228)
Parkman (240)
Paul Sebastian (133)
Penn Lyon Homes (462)
Pennsylvania Computer (238)
Performance Coatings (437)
Perma-Chink System (425)
Persoft (97)
Personal Computer Centre (443)
Peter Norton Computing (136)
Phoenix Marketing Group (77)
Phoenix Textile (198)
Physician Sales & Service (302)
Physician's Weight Loss Centers (388)
Pizza People (491)
P.J. Marketing Services (272)
Planning Analysis (382)
Playsystems (461)
Plow & Hearth (275)
Popcorn Palace & Candy Emporium (231)
Post-Tron Systems (190)
Practice Management Systems (158)
Presentables-Cinzia (204)
Prestage Farms (300)
Prestige Products (385)
Pretty Punch Shoppettes (314)
Prima Die Casting (274)
Prime Technology (174)
Princeton Review (106)
Produce Plus (147)
Professional Business Schools (234)
ProKnit (75)
Protel (351)
P.T. True & Associates Development (183)
Public Interest Affiliates (135)
Puller Mortgage Associates (187)
Purity Sales (110)
Quad Systems (19)
Quadratron Systems (64)
Quad-S Consultants (203)
QualPro (80)
Quick-Flight Stair (318)
Quicksilver Express Courier (177)
Quinn Data Products (54)
Rapco International (113)
R.B. Associates (343)
Read (109)
Real World Systems (102)
Reflections Jewelers (242)
Reider Racing Enterprises (247)
REMA Bakeware (93)
Research Analysis & Maintenance (86)
Resource Management International (46)
Richard Young Products (170)
Richardson Turner Construction (283)
Ridge Electric (192)
RJE Communications (118)
RJO Enterprises (56)
Roddy Temporary Svcs. (241)
Rossin, Greenberg, Seronick & Hill (262)
RPM Rent-A-Car System (340)
RPR & Associates (37)
R.S. Young Excavating (205)
Ruby Restaurant Group (367)
Rue de France (257)
Russell Construction (48)
Sales Technologies (30)
Santa Cruz Operation (334)
Schiffer Mason Contractors (369)
Schlott Realtors (418)
Schuler & Sadowski (497)
Scioto Valley Hot Tubs & Spas (196)
Scosche Industries (400)
SCR Coaches (315)
Second City Systems (193)
Sensor Developments (473)
Serpro (173)
Serrot (252)
Shawmut Design & Construction (219)
Simmons Communications (321)
SIR Group (263)
Skoda, Minotti, Reeves (478)
Skyline Displays (355)
Smart (304)
Smart Data (23)
Softmart (3)
Software Spectrum (15)
Software 2000 (189)
Southern Machine & Tool (487)
Southwest Royalties (358)
Sparta (475)
SpeeDee Oil Change Systems (377)
Statistica (27)
Staubach (224)
Steadi-Systems (162)
Stephen J. Levine & Associates (329)
Sterling Boiler & Mechanical (460)
Sterling Management Systems (45)
Straight Status (417)
Strategic Data Systems (401)
Strategic Management Group (486)
Strategic Radio Research (217)
Stride Rite Booteries (495)
Structural Systems (344)
Sun Financial Group (42)
Sunday River Skiway (163)
Sunglass Distributors (455)
Sunny Waterbeds & Accessories (469)
Sunquest Information Systems (450)
Super 8 Motels (311)
Super Wash (397)
Syme (371)
Symplex Communications (26)
Syscomm International (63)
Systech Computer (237)
Systems Programming (253)
Tab Electric Supply (82)
Team Food Management (350)
Technmatics (216)
Technology Applications (336)
Telco Communications (171)
Teltrend (313)
Temporary Solutions (446)
Temps & Co. (297)
Texel (95)
Therma-Wave (138)
T & M Computer Supply (429)
TMaker (199)
Today's Temporary (373)
Tops & Trends (405)
Tower Homes (356)
T.P.I. (426)
Transaction Technology (87)
Transamerica Energy Associates (50)
Trinity Computing Systems (184)
TYX (433)
United Agencies (335)
United Medical Supply (91)
United Phone Book Advertisers (14)
Universal Computer (156)
Universal Nutrition (31)
US Auto & Rochester Marine (25)
U-Save Auto Rental of America (169)
UVEST Brokerage Services (465)
Van Horn Designs (412)
Vanderveer Group (212)
Vantage Software (153)
Venture Communication International (44)
Vesoft (424)
Victor Graphics (449)
Viking (352)
Viking Engineering (239)
Villa Enterprises (457)
VIP Personnel (451)
Viromed Laboratories (357)
Virtual Technology (398)
Walker Communications (310)
Walker Richer & Quinn (166)
Washington Consulting Group (316)
Weathashade (408)
Wellex (144)
West Coast Video (4)
White Pine (386)
Whitlatch (69)
William Gallagher Associates (73)
Williams Marketing Services (387)
Windline Amanet (489)
Winter Gardens Salad (416)
Wolfe Lumber (17)
Woodcrest Manufacturing (123)
Woodworkers Supply of New Mexico (266)
WordPerfect (71)
W.T. Quinn (406)
Xyquad (366)
Year One (308)

THE 500

#2 ORBITAL SCIENCES CORP.

FAIRFAX, VA.

KHOJDA BABY

David Thompson

In early 1958, as *Sputnik II* circled the earth, David Thompson watched in wonder, dreaming of the rocket ship *he'd* build one day. Graduating first in his class from both MIT and Cal Tech, Thompson went straight to work at NASA. But the future he imagined—outer-space manufacturing that would take advantage of zero gravity—could not be done with vehicle-launching costs as high as NASA's. Two years at the space agency convinced him that only private industry could do the job.

Soon we'll begin to see if it has. Today, Thompson's company, Orbital Sciences Corp., has parlayed $75 million in private financing into rockets designed to launch military and commercial satellites. The first will debut next year.

	Company (1987 rank) Business description	Sales growth 1983–87 Percent increase	'87 sales ($000)	'83 sales ($000)	Profit range* '87	Profit range* '83	No. of employees '87	No. of employees '83	Date founded
1.	**American Central Gas** Tulsa, OK Gathers, processes, treats, & mkts. natural gas	82,168%	$92,963	$113	D	B	45	1	1983
2.	**Orbital Sciences** Fairfax, VA Mfrs. NASA space launch vehicles	25,297	25,397	100	D	F	44	14	1982
3.	**Softmart** Malvern, PA Sells computer software & peripherals	23,586	27,107	106	D	F	74	6	1982
4.	**West Coast Video** Philadelphia, PA Operates video rental stores	22,663	22,991	101	B	F	141	12	1983
5.	**Government Technology Services** Chantilly, VA Retails microcomputer equipment to govt.	22,536	101,635	449	D	F	300	5	1983
6.	**Jenny Craig Weight Loss Centres** Carlsbad, CA Operates weight-loss centers	21,090	44,922	212	B	F	700	60	1983
7.	**Cabletron Systems** Rochester, NH Mfrs. local area network hardware	20,329	24,923	122	C	E	300	10	1983
8.	**Adept Technology** San Jose, CA Mfrs. industrial robots	17,913	30,622	170	D	F	230	25	1983
9.	**Express Services** Oklahoma City, OK Franchises permanent- & temporary-personnel offices	16,174	49,960	307	E	F	36	6	1983
10.	**Comptronix** Guntersville, AL Mfrs. electronic products	12,974	14,251	109	D	E	300	3	1983
11.	**Group Tech Systems** Miami, FL Mkts. health insurance	12,248	16,300	132	D	F	16	3	1983
12.	**H&M Food Systems** No. Richland Hills, TX Mfrs. meat-based food products	10,553	36,539	343	D	F	107	10	1983
13.	**CEBCOR** Chicago, IL Provides employee leasing svcs.	10,437	15,276	146	D	E	33	2	1983
14.	**United Phone Book Advertisers** (6) Lincoln, NB Publishes telephone directories	9,795	21,076	213	C	E	560	24	1981
15.	**Software Spectrum** Dallas, TX Resells computer software	9,579	29,908	309	D	F	35	2	1983
16.	**Ashford International** Tucker, GA Distr. peripherals & computer products	9,216	9,968	107	E	E	22	2	1983
17.	**Wolfe Lumber** Newport Beach, CA Sells lumber	8,724	17,383	197	D	C	6	2	1983
18.	**Covalent Systems** Fremont, CA Mfrs. automated business mgmt. systs.	8,155	15,519	188	C	F	110	12	1982
19.	**Quad Systems** Horsham, PA Mfrs. products for automated electronics mfr.	7,824	10,222	129	E	F	100	18	1981
20.	**Concept Omega** Somerset, NJ Distr. computer software	7,279	10,257	139	B	F	60	8	1982
21.	**J.P. Rhoades Development** Santa Ana, CA Real-estate development & construction	7,126	33,528	464	C	A	22	18	1982
22.	**Enreco** Amarillo, TX Provides environmental cleanup svcs.	7,114	7,647	106	B	F	28	3	1982
23.	**Smart Data** Morton Grove, IL Distr. computer products	6,931	7,383	105	C	F	17	5	1983
24.	**Datel Systems** San Diego, CA Sells computer hardware & software	6,695	14,610	215	D	D	21	5	1983
25.	**US Auto & Rochester Marine** Rochester, MN Sells automotive & marine products	6,657	10,001	148	C	C	32	2	1983

A: 16% or more; B: 11% to 15%; C: 6% to 10%; D: 1% to 5%; E: Break-even; F: Loss

CHARTS TYPESET BY B.P.I. GRAPHICS

#48 RUSSELL CONSTRUCTION CO.

BETTENDORF, IOWA

ANDY GOODWIN

James Russell

Nine percent of this year's INC. 500 companies are in the construction business, and James Russell's is among the smallest, with sales of $5.8 million. But its size belies its scope: unlike the majority of general contractors, Russell Construction is not a regional operation. The Iowa company travels nationally, following a few big clients from state to state to build retail outlets.

"We never pursued this niche," says the 27-year-old founder. "We never even advertised beyond a one-liner in the *Yellow Pages*. We just did one good job, then another, and got repeat business."

With such clients as The Sock Market—mall shops that sell socks—and General Nutrition stores, a good job means keeping to schedule. Price is secondary, and Russell is confident he won't lose a customer to a lower bidder.

He's not so confident, though, about maintaining quality in the face of rapid expansion. "Quality control hasn't kept up with growth," Russell says frankly, "and I've got people in the field with less training than I'd like. But I have no choice."

Company (1987 rank) Business description	Sales growth 1983–87 Percent increase	'87 sales ($000)	'83 sales ($000)	Profit range* '87	'83	No. of employees '87	'83	Date founded
26. Symplex Communications Ann Arbor, MI Mfrs. data-communications equipment	6,622%	$8,738	$130	A	F	60	7	1981
27. Statistica Columbia, MD Provides professional svcs.	6,466	7,288	111	D	F	136	5	1977
28. Bridges & Co. Pittsburgh, PA General contractor	6,438	14,514	222	C	D	70	20	1983
29. Communications International (46) Norcross, GA Integrates communications systs.	6,259	9,094	143	D	F	180	15	1980
30. Sales Technologies Atlanta, GA Develops software for sales personnel	5,850	7,556	127	C	F	86	5	1983
31. Universal Nutrition Norcross, GA Sells vitamins & health products by mail	5,663	7,262	126	B	F	1	1	1981
32. Jeta Power Systems Signal Hill, CA Mfrs. computer power supplies	5,372	5,636	103	D	F	87	13	1982
33. Michigan Paper Troy, MI Distr. printing papers	5,238	9,501	178	D	F	5	2	1983
34. Hall-Kimbrell Environmental Svcs. Lawrence, KS Provides environmental engineering svcs.	5,216	12,121	228	C	B	290	4	1982
35. Greenleaf Health Systems Chattanooga, TN Operates chain of psychiatric hospitals	5,011	21,414	419	D	F	400	5	1980
36. Bushman Press Provo, UT Commercial printer	4,983	7,777	153	A	A	90	6	1982
37. RPR & Associates Columbia, SC General contractor	4,901	41,856	837	D	F	341	19	1977
38. Pacifica Services Pasadena, CA Repairs & overhauls electronic equipment	4,892	19,720	395	D	F	448	7	1979
39. Aromatique Heber Springs, AR Mfrs. room fragrances	4,877	6,669	134	A	A	111	15	1983
40. Chemical & Industrial Engineering Louisville, KY Provides engineering svcs.	4,693	6,806	142	D	F	126	10	1983
41. Gates Distributing (7) Richmond, CA Distr. microcomputer products	4,485	49,105	1,071	D	D	108	14	1981
42. Sun Financial Group (19) Tampa, FL Sells & leases office equipment & machinery	4,378	16,839	376	C	A	20	2	1981
43. KTI (112) Guttenberg, NJ Develops alternative energy sources	4,255	11,932	274	F	F	78	4	1982
44. Venture Communication International New York, NY Provides direct-mail advertising svcs.	4,128	5,200	123	B	F	22	4	1983
45. Sterling Management Systems Glendale, CA Provides business mgmt. svcs.	4,084	11,463	274	D	D	110	8	1983
46. Resource Management International Media, PA Provides asbestos-abatement svcs.	4,073	4,716	113	C	C	60	6	1979
47. CompuAdd (3) Austin, TX Retails microcomputers & accessories	4,069	100,275	2,405	D	D	150	10	1982
48. Russell Construction Bettendorf, IA General contractor	4,031	5,825	141	D	F	22	2	1983
49. Energy Services Group International Williamsburg, VA Provides engineering & technical svcs.	3,938	4,280	106	D	A	60	6	1983
50. Transamerica Energy Associates Atlanta, GA Provides technical personnel svcs.	3,884	7,729	194	D	F	150	8	1982
51. Distribution Plus (54) Frederick, MD Distr. computer hardware	3,769	30,333	784	F	D	83	11	1978
52. Construction, Contracting & Mgmt. Albuquerque, NM Site development & utility construction	3,752	10,245	266	C	F	84	4	1982
53. Holton Erectors (91) Wixom, MI Erects metal buildings	3,732	8,008	209	F	F	80	60	1981
54. Quinn Data Products Wilmington, DE Distr. & sells computer components	3,717	7,557	198	D	F	15	4	1980
55. Eastern Marine Construction (138) Nashua, NH Provides construction svcs.	3,697	3,873	102	B	F	32	18	1981
56. RJO Enterprises (24) Lanham, MD Provides systs. engineering svcs.	3,691	29,911	789	D	C	482	11	1979
57. MediQual Systems Westborough, MA Provides health-care database svcs.	3,611	4,750	128	F	F	80	5	1980
58. Hudson Valley Tree Newburgh, NY Mfrs. artificial Christmas trees & wreaths	3,604	16,187	437	B	B	550	350	1982
59. Hospital Correspondence Copiers San Jose, CA Provides medical record photocopying svcs.	3,558	8,968	245	B	D	270	8	1982
60. Future Shape International (65) Wallingford, CT Mfrs. health & fitness equipment	3,534	12,682	349	C	C	72	5	1982

A: 16% or more; B: 11% to 15%; C: 6% to 10%; D: 1% to 5%; E: Break-even; F: Loss

	Company (1987 rank) Business description	Sales growth 1983–87 Percent increase	'87 sales ($000)	'83 sales ($000)	Profit range* '87	'83	No. of employees '87	'83	Date founded
61.	**G.O.D.** (16) Kearny, NJ Provides overnight delivery svcs.	3,528%	$13,824	$381	D	E	278	7	1982
62.	**HealthStaffers** Chicago, IL Provides health-care personnel to hospitals	3,515	4,736	131	D	D	196	5	1977
63.	**Syscomm International** (77) Hauppauge, NY Sells computer hardware & software	3,508	22,079	612	D	D	52	13	1980
64.	**Quadratron Systems** Westlake Village, CA Mfrs. office automation software	3,500	8,783	244	F	F	95	8	1983
65.	**Logistix** (59) Milpitas, CA Mfrs. hardware & software	3,472	35,223	986	D	F	80	40	[illegible]
66.	**1st American Rental Center** Lithonia, GA Rents & sells appliances & home furnishings	3,451	6,001	169	F	F	92	10	1983
67.	**Geoscience Consultants** Albuquerque, NM Provides hazardous waste-mgmt. svcs.	3,449	4,365	123	C	B	35	2	1983
68.	**FG*I** Chapel Hill, NC Provides mkt. & advertising svcs.	3,404	5,361	153	D	C	35	5	1982
69.	**Whitlatch** Twinsburg, OH Builds single-family homes	3,387	9,310	267	D	C	32	2	1982
70.	**Brendamour Warehousing, Moving** Cincinnati, OH Provides warehousing & moving svcs.	3,360	3,564	103	C	C	75	4	1983
71.	**WordPerfect** (26) Orem, UT Designs & mfrs. software	3,347	94,687	2,747	A	D	602	48	1979
72.	**MicroProse Software** Hunt Valley, MD Publishes recreational computer software	3,332	13,213	385	B	A	95	5	1982
73.	**William Gallagher Associates** Boston, MA Insurance broker	3,220	10,092	304	B	F	17	4	1983
74.	**Mobile Technology** Los Angeles, CA Provides mobile medical imaging svcs.	3,099	21,015	657	C	C	136	7	1983
75.	**ProKnit** Scottsdale, AZ Mfrs. fleece & jersey apparel	3,081	10,528	331	D	E	145	6	1985
76.	**Alpha Products** Atlanta, GA Mfrs. plastic products	3,065	3,165	100	C	E	30	3	1982
77.	**Phoenix Marketing Group** Lincoln Park, NJ Provides health-care mkt. svcs.	3,004	3,942	127	A	F	44	5	1983
78.	**Landmark Hotel** Topeka, KS Owns & manages hotels	2,960	74,417	2,432	F	F	1,000	367	1982
79.	**Oscor Medical** Palm Harbor, FL Mfrs. products for microsurgery	2,932	3,153	104	D	F	23	5	1982
80.	**QualPro** Knoxville, TN Provides consulting & training svcs.	2,926	3,147	104	C	F	12	5	1982
81.	**Caber Systems** Miami, FL Retails microcomputers	2,921	23,293	771	D	F	57	3	1982
82.	**Tab Electric Supply** New Bern, NC Distr. electrical equipment & supplies	2,914	7,323	243	C	D	21	6	1983
83.	**Carolina Pottery** Smithfield, NC Retails housewares	2,865	17,996	607	D	C	200	65	1983
84.	**Academic Guidance Services** (113) Marlton, NJ Provides computerized guidance svcs.	2,842	3,266	111	A	A	86	11	1975
85.	**Microsolutions** (39) Dallas, TX Retails microcomputers & software	2,790	10,115	350	E	D	26	2	1982
86.	**Research Analysis & Maintenance** El Paso, TX Provides professional & technical svcs.	2,768	5,909	206	C	B	115	8	1982
87.	**Transaction Technology** Greenville, SC Mfrs. point-of-sale computer systs.	2,731	2,859	101	C	D	41	11	1978
88.	**Babe Winkelman Productions** Brainerd, MN TV & video production	2,690	4,045	145	D	F	26	2	1977
89.	**Pacific Union Dental** Emeryville, CA Provides prepaid dental health insurance	2,683	4,508	162	D	E	10	4	1972
90.	**Mid-Atlantic Medical Svcs.** (148) East Rutherford, NJ Rents specialty medical equipment	2,604	4,948	183	B	C	47	15	1976
91.	**United Medical Supply** Littleton, CO Distr. disposable electrocard. supplies	2,599	3,050	113	D	F	16	8	1982
92.	**Comtrak** Memphis, TN Provides trucking svcs.	2,592	10,688	397	C	B	26	6	1983
93.	**REMA Bakeware** Salina, KS Mfrs. insulated bakeware	2,525	6,773	258	B	C	70	3	1983
94.	**Alpha Computers** Lake Oswego, OR Sells & svcs. microcomputers	2,524	5,090	194	D	D	41	7	1982
95.	**Texel** Fairfax, VA Provides business communications svcs.	2,477	3,608	140	C	D	25	5	1983

A: 16% or more; B: 11% to 15%; C: 6% to 10%; D: 1% to 5%; E: Break-even; F: Loss

#78 LANDMARK HOTEL CORP.

TOPEKA, KANS.

BRANDI MILES-JOTA

Gary Keller

Very few of the 1988 INC. 500 companies grew through acquisition—84% made *no* acquisitions in the past five years, and only a handful made more than one or two. The major exception is Landmark Hotel Corp., which made 30 purchases, more than any other INC. 500 company.

Simply put, president Gary Keller has "always wanted to build an empire," and he thinks acquisition is the easiest and cheapest way to do it. His strategy? Buy hotels that in their midsize markets—Peoria, Sioux Falls—are relatively upscale, and renovate them to appeal to the convention trade. All the Landmark properties are franchises, and 22 of the 25 it still owns are Holiday Inns—not surprising, given that 12 top Landmark managers are refugees from Brock Hotel Corp., once one of the country's biggest Holiday Inn franchisees. Keller headed up real-estate financing there, and has used his experience to work with banks, pension funds, and life-insurance companies to buy and renovate Landmark's hotels.

Acquisition *has* had a nasty side effect: red ink, despite gross operating profits of 38%. Keller says he's now "totally focused on consolidation" and confident that this year he'll show positive cash flow.

#108 AMERICAN NURSING RESOURCES INC.

OVERLAND PARK, KANS.

ABBY FLEMING

John and Elizabeth Dayani

Elizabeth Dayani grew up in Brazil, the daughter of missionary parents, and planned to learn nursing and establish a health clinic in the South American jungles. Instead, she ended up a nurse-practitioner in the plains of Kansas. Dayani also wrote a book called *The Nurse Entrepreneur* and with her husband, John, founded one of the country's fastest growing temporary-help agencies for health-care workers.

The underlying motivation for Dayani's work is a conviction that nurses must take charge of their profession. "It's enormously frustrating to be trained to function at a high level and then have no control over your job," she says.

American Nursing Resources is the Dayanis' attempt to address such frustration. The company's 22 offices, from California to Connecticut, provide supplemental staffing to hospitals and nursing homes and coordinate short-term contracts for private care in homes. The offices are all managed by registered nurses who have profit sharing and stock options. The front-line providers set their own hours and choose their assignments. And they're working under other nurses—the real key, Elizabeth Dayani believes, to empowering the profession. "My dream," she says, "is the day when all hospital nursing services are contracted from nurse-run agencies."

Preferably hers.

	Company (1987 rank) Business description	Sales growth 1983–87 Percent increase	'87 sales ($000)	'83 sales ($000)	Profit range* '87	'83	No. of employees '87	'83	Date founded
96.	**Crux Computer** Canoga Park, CA Provides design svcs. for test equipment	2,442%	$2,542	$100	D	F	10	3	1982
97.	**Persoft** Madison, WI Produces business productivity software	2,399	4,223	169	D	D	58	9	1982
98.	**Great Southeast Construction** Miami, FL General contractor	2,359	3,541	144	B	F	69	11	1983
99.	**Arrowhead Landscaping & Maint.** Scottsdale, AZ Provides landscape & maintenance svcs.	2,341	2,563	105	D	D	120	3	1983
100.	**Ameritel** Neenah, WI Provides telemarketing svcs.	2,333	3,552	146	B	F	100	15	1982
101.	**Office Solutions** Madison, WI Develops office automation software	2,293	4,403	184	D	D	48	5	1983
102.	**Real World Systems** Glen Mills, PA Integrates commercial computer systs.	2,271	2,656	112	D	F	13	1	1983
103.	**Action Systems Technologies** (29) Indianapolis, IN Provides technical svcs.	2,271	3,865	163	F	A	213	5	1980
104.	**Columbus Wood Products** Columbus, OH Distr. interior trim & doors	2,260	5,853	248	C	D	67	7	1983
105.	**Kenfil Distribution** Van Nuys, CA Distr. microcomputer software	2,233	36,465	1,563	D	D	49	33	1983
106.	**Princeton Review** New York, NY Offers preparation for college admission tests	2,228	4,656	200	B	B	28	2	1981
107.	**Optical Disc** Cerritos, CA Mfrs. optical disc recording systs.	2,205	2,950	128	C	F	27	4	1982
108.	**American Nursing Resources** (118) Overland Park, KS Provides home health care svcs.	2,199	22,714	988	D	D	602	115	1983
109.	**Read** (98) Middleboro, MA Mfrs. gravel-screening equipment	2,197	18,954	825	D	E	153	8	1980
110.	**Purity Sales** Boca Raton, FL Provides grocery wholesaling svcs.	2,154	139,810	6,204	D	D	36	15	1982
111.	**Microserv Technologies** Milford, MA Distr. computers	2,150	8,100	360	D	D	24	4	1982
112.	**Belkin Components** Gardena, CA Mfrs. microcomputer-interface hardware	2,144	3,994	178	C	D	28	4	1983
113.	**Rapco International** Jackson, MO Mfrs. audio products	2,136	7,847	351	C	D	75	6	1982
114.	**Baystar Service** Clearwater, FL Provides telecommunications consulting svcs.	2,124	8,539	384	C	F	166	10	1982
115.	**Dewar Information Systems** Westchester, IL Designs & supports publishing systs.	2,120	8,723	393	D	F	54	4	1975
116.	**East Coast Computer Systems** (68) Red Bank, NJ Distr. computer systs.	2,117	4,789	216	B	B	25	4	1980
117.	**Advance Digital Information** Redmond, WA Mfrs. magnetic cartridge tape systs.	2,109	6,626	300	C	D	34	4	1983
118.	**RJE Communications** Cupertino, CA Sells & leases telecommunications equipment	2,105	9,458	429	D	D	126	10	1983
119.	**Metro Pace Construction** Fairfax, VA General contractor	2,102	8,301	377	D	F	18	2	1981
120.	**FiberCom** Roanoke, VA Develops fiber-optic communications systs.	2,088	13,348	610	F	F	150	10	1982
121.	**Applied Systems** (13) University Park, IL Mfrs. microcomputer software	2,073	13,535	623	D	F	150	7	1980
122.	**Metech** Elverson, PA Mfrs. precious metal electronic materials	2,048	3,050	142	C	F	20	5	1982
123.	**Woodcrest Manufacturing** Peru, IN Mfrs. pinewood furniture	2,041	4,240	198	D	F	71	19	1983
124.	**Corporate Wings** Cleveland, OH Provides aircraft mgmt. & related svcs.	2,040	8,816	412	D	D	65	2	1979
125.	**Automation Atwork** San Jose, CA Designs & sells health-care software	2,040	4,279	200	D	E	46	3	1983
126.	**Group Benefit Services** (22) Lutherville, MD Administers employee benefits plans	2,017	20,557	971	A	C	25	5	1980
127.	**Creative Home Collections** Raymore, MO Mfrs. home decor gifts	2,014	5,052	239	E	D	125	40	1982
128.	**Far West Freight Consultants** Pleasanton, CA Provides trucking & transportation svcs.	1,999	9,300	443	D	C	21	2	1983
129.	**Kenex Systems** Salt Lake City, UT Develops job cost accounting software	1,991	2,467	118	C	F	18	3	1982
130.	**Blackbaud Microsystems** (37) Huntington, NY Supplies turnkey computer systs.	1,968	5,357	259	D	D	55	5	1981

*A: 16% or more; B: 11% to 15%; C: 6% to 10%; D: 1% to 5%; E: Break-even; F: Loss

#136
PETER NORTON COMPUTING INC.
SANTA MONICA, CALIF.

GREG MATSUNAMI

Peter Norton

Computer ate your file? No problem—once upon a time it ate Peter Norton's file, too. Unlike the rest of us, however, Norton did something about it. He quickly recognized that the experience was probably as common as it was frustrating. Maybe even so common and frustrating that lots of people would happily pay money to keep it from happening again.

He was right. The introduction of his Norton Utilities software, which allows users to retrieve deleted files, created a new niche in the PC market: software that exists to make computing easier.

Like many good ideas, Norton's was an eminently copyable one, and products that were touted as cheaper, easier, or broader in scope soon appeared. Still, Norton, who has the distinction of being the first Dewar's Profilee on the INC. 500, has retained his edge. Readers of the trade press consistently vote the updated Norton products their favorites, and the company has diversified into guides and text-editing software for programmers.

	Company (1987 rank) Business description	Sales growth 1983–87 Percent increase	'87 sales ($000)	'83 sales ($000)	Profit range* '87	Profit range* '83	No. of employees '87	No. of employees '83	Date founded
131.	**Border Fuel Supply** Englewood, CO Provides petroleum gathering & transportation svcs.	1,958%	$307,210	$14,924	D	E	18	3	1983
132.	**ChemDesign** Fitchburg, MA Mfrs. chemicals	1,953	19,459	948	C	F	140	42	1982
133.	**Paul Sebastian** Ocean, NJ Mfrs. fragrances	1,940	16,685	818	C	D	37	4	1979
134.	**D.D.F. Transportation** (66) Buffalo, NY Provides trucking svcs.	1,940	5,548	272	D	D	46	2	1981
135.	**Public Interest Affiliates** Chicago, IL Syndicates radio, video, & TV programs	1,927	2,331	115	D	B	33	3	1980
136.	**Peter Norton Computing** Santa Monica, CA Mfrs. microcomputer software	1,925	10,996	543	A	A	38	10	1982
137.	**BSE Management** (282) Arcadia, CA Provides environmental & building evaluations	1,923	4,512	223	A	C	60	27	1982
138.	**Therma-Wave** Fremont, CA Mfrs. integrated circuit-control systs.	1,922	6,025	298	C	F	70	10	1982
139.	**Diedre Moire** East Brunswick, NJ Provides mgmt. consltg., & personnel recruiting svcs.	1,910	2,452	122	D	C	38	4	1980
140.	**J.W. Gardner** Charlotte, NC General contractor	1,904	6,233	311	E	E	55	7	1982
141.	**Leather Center** Carrollton, TX Mfrs. leather furniture	1,900	15,363	768	D	D	266	40	1982
142.	**A-M Homes** (69) Santa Barbara, CA Develops property & builds homes	1,900	148,231	7,411	D	F	189	9	1979
143.	**Custom Living Homes & Comm.** (102) Chester, NJ Builds new homes	1,883	102,227	5,155	B	C	185	5	1973
144.	**Wellex** Fremont, CA Mfrs. printed circuit boards	1,877	5,080	257	D	F	168	30	1983
145.	**Neoterik Health Tech.** (268) Woodsboro, MD Mfrs. safety equipment	1,850	4,952	254	D	F	101	4	1981
146.	**National Communications** Miami, FL Provides promotional svcs.	1,844	2,800	144	D	D	17	3	1982
147.	**Produce Plus** Elmhurst, IL Imports & sells produce	1,839	6,633	342	D	F	17	3	1983
148.	**Computer Shopper of Titusville** (134) Titusville, FL Publishes computer publication	1,837	15,222	786	B	C	106	25	1979
149.	**Ortel** Alhambra, CA Mfrs. laser diodes	1,832	6,183	320	D	F	53	10	1980
150.	**DATASEC** Wilton, NH Mfrs. computer products for govt.	1,828	7,307	379	D	B	52	5	1979
151.	**Magna Software** New York, NY Distr. computer software	1,825	3,792	197	A	C	28	2	1976
152.	**Alternate Circuit Technology** Ward Hill, MA Mfrs. printed circuit boards	1,814	10,740	561	B	D	135	15	1982
153.	**Vantage Software** New York, NY Develops custom computer software	1,805	2,876	151	C	F	21	4	1980
154.	**Coddbarrett Associates** Providence, RI Provides computer graphics svcs.	1,805	2,514	132	D	C	18	2	1982
155.	**Chattahoochee Geotech. Consult.** Norcross, GA Provides geotechnical engineering svcs.	1,793	1,969	104	B	B	30	12	1983
156.	**Universal Computer** East Rochester, NY Sells computers	1,790	1,985	105	D	F	11	2	1983
157.	**Micro Specialist** Raleigh, NC Mfrs. & svcs. point-of-sale computer systs.	1,770	2,151	115	D	E	30	1	1982
158.	**Practice Management Systems** Needham, MA Provides svcs. for medical office automation systs.	1,764	4,100	220	D	A	38	3	1983
159.	**Forecast Mortgage** Rancho Cucamonga, CA Develops shopping centers & homes	1,753	63,388	3,421	D	A	55	5	1972
160.	**Osburn Associates** Logan, OH Distr. conduits, fittings, & accessories	1,734	2,770	151	D	B	20	2	1982
161.	**Network Controls International** Charlotte, NC Develops & sells computer software & hardware	1,720	8,956	492	A	D	35	8	1983
162.	**Steadi-Systems** Los Angeles, CA Distr. motion picture production supplies	1,714	1,941	107	C	C	4	1	1983
163.	**Sunday River Skiway** Bethel, ME Operates ski resort	1,705	20,923	1,159	A	D	125	17	1958
164.	**IFS International** Troy, NY Remkts. bank ATM machines	1,693	1,793	100	D	C	20	3	1981
165.	**Hazardous Waste Consultants** Orlando, FL Provides hazardous waste-mgmt. svcs.	1,690	1,933	108	F	F	14	2	1982

*A, 16% or more; B, 11% to 15%; C, 6% to 10%; D, 1% to 5%; E, Break-even; F, Loss

#176
KVH INDUSTRIES INC.
MIDDLETOWN, R.I.

CONNIE VANDERWAL

Martin, Robert, and Arent Kits van Heyningen

In 1978, Baron Marcel Bich, chairman of Bic Corp. and owner of the French entry in the America's Cup, wanted an on-board computer to measure his boat's performance. Martin Kits van Heyningen—who worked in the Newport, R.I., shipyards between semesters at Yale—claimed his father, Arent, and brother Robert could build it. Luckily for the sailing-mad Kits van Heyningen family, Martin was right.

In the process of designing the computer they discovered a need for a digital electronic compass, "so it wouldn't be a case of garbage in, garbage out," says Martin. With that need in mind, he wrote a business plan while still an undergraduate, raising about $60,000 to start KVH Industries.

Intent on marketing the digital compasses to the U.S. military as well as to the yachting community, KVH pursued and won enough government research money to develop an unusually large engineering department. With 25 people, compared with 3 or 4 for most businesses its size, the company has been able to maintain an R&D edge over the handful of larger foreign competitors now in the market.

Baron Bich, by the way, lost in the trials. But don't blame KVH. Last year, using a KVH compass, Dennis Conner won.

	Company (1987 rank) Business description	Sales growth 1983–87 Percent increase	'87 sales ($000)	'83 sales ($000)	Profit range* '87	'83	No. of employees '87	'83	Date founded
166.	**Walker Richer & Quinn** (232) Seattle, WA Mfrs. communication software	1,676%	$8,899	$501	D	E	55	7	1981
167.	**Bertucci's** (265) Woburn, MA Restaurant chain	1,673	6,204	350	C	F	100	5	1981
168.	**Careers USA** Philadelphia, PA Provides permanent- & temporary-help svcs.	1,666	7,717	437	D	C	50	20	1981
169.	**U-Save Auto Rental of America** (81) Hanover, MD Rental car franchisor	1,649	9,113	521	D	D	10	4	1979
170.	**Richard Young Products** (41) Deerfield Beach, FL Distr. computer supplies & accessories	1,638	19,531	1,124	D	D	50	10	1979
171.	**Telco Communications** Pawtucket, RI Produces promotional publications & entertainment	1,637	1,893	109	F	A	17	3	1977
172.	**Oldenburg Group** (110) Milwaukee, WI Diversified manufacturing	1,636	13,313	767	C	C	250	10	1943
173.	**Serpro** St. Louis, MO Provides overnight delivery svcs.	1,632	2,338	135	D	F	21	7	1983
174.	**Prime Technology** Grand Rapids, MI Distr. machine tools	1,628	1,763	102	C	A	19	3	1982
175.	**Auto Trim & Glass** Fort Pierce, FL Sells van accessories & conversion svcs.	1,620	3,680	214	D	C	18	3	1981
176.	**KVH Industries** Middletown, RI Mfrs. navigational instruments	1,614	2,434	142	E	F	74	4	1982
177.	**Quicksilver Express Courier** Minneapolis, MN Provides courier svcs.	1,610	3,796	222	C	E	175	25	1982
178.	**Health Stop Medical Management** Wellesley, MA Manages ambulatory physicians' offices	1,576	25,323	1,509	F	F	750	100	1983
179.	**Clearpoint Research** Hopkinton, MA Mfrs. computer products	1,572	17,785	1,064	D	C	91	7	1982
180.	**Lighthouse Communications Group** Framingham, MA Magazine publishing information svcs.	1,569	2,086	125	D	F	24	4	1983
181.	**Greater Alarm** (230) Huntington Beach, CA Provides electronic security svcs.	1,552	2,081	126	D	F	44	8	1981
182.	**Houston International Teleport** Houston, TX Provides satellite-transmission svcs.	1,544	8,123	494	E	B	57	12	1983
183.	**P.T. True & Associates Development** Dedham, MA Develops real estate	1,532	2,921	179	C	A	3	3	1972
184.	**Trinity Computing Systems** (40) Houston, TX Mfrs. medical software information systs.	1,530	5,999	368	D	F	45	11	1981
185.	**Data Source Media** (250) Lincoln, NB Distr. computer supplies	1,527	2,506	154	C	D	14	3	1973
186.	**Key Resource Group** Williamsville, NY Provides permanent- & temporary-help svcs.	1,510	3,075	191	D	E	13	2	1983
187.	**Puller Mortgage Associates** (264) Indianapolis, IN Mortgage lender	1,503	15,725	981	A	C	112	28	1976
188.	**BTG** (150) Vienna, VA Provides computer systs. engineering svcs.	1,494	20,903	1,311	D	E	185	15	1982
189.	**Software 2000** Hyannis, MA Develops & mkts. business mgmt. software	1,482	5,236	331	A	B	47	12	1981
190.	**Post-Tron Systems** Pawtucket, RI Remkts. retail point-of-sales systs.	1,479	31,026	1,965	D	D	180	15	1982
191.	**Grant Wood Specialists** Nampa, ID Mfrs. oak doors	1,479	2,131	135	F	C	60	3	1976
192.	**Ridge Electric** (190) East Sparta, OH Provides construction svcs.	1,470	2,072	132	E	B	20	9	1980
193.	**Second City Systems** (170) Northbrook, IL Distr. facsimile products	1,456	6,891	443	D	C	82	10	1980
194.	**Electronic Liquid Fillers** LaPorte, IN Mfrs. liquid filling, capping, & labeling equipment	1,436	7,064	460	A	A	53	3	1981
195.	**Exact Solutions** South Brunswick, NJ Resells value-added personal computers	1,434	2,332	152	D	D	9	1	1983
196.	**Scioto Valley Hot Tubs & Spas** Hillaro, OH Retails spas & hot tubs	1,434	2,868	187	D	D	15	4	1982
197.	**Advanced Data Products** Gaithersburg, MD Distr. computer equipment	1,432	13,249	865	D	D	24	6	1983
198.	**Phoenix Textile** St. Louis, MO Distr. institutional textiles	1,425	21,315	1,398	D	F	48	15	1983
199.	**T/Maker** (316) Mountain View, CA Mfrs. microcomputer software	1,415	2,590	171	D	D	10	4	1980
200.	**Comstock Creations** Durango, CO Mfrs. gifts & jewelry	1,405	1,671	111	C	B	22	6	1982

A. 16% or more; B. 11% to 15%; C. 6% to 10%; D. 1% to 5%; E. Break-even; F. Loss

	Company (1987 rank) Business description	Sales growth 1983–87 Percent increase	'87 sales ($000)	'83 sales ($000)	Profit range* '87	'83	No. of employees '87	'83	Date founded
201.	**Facter, Fox & Associates** Los Angeles, CA Provides telemarketing svcs.	1,388%	$3,616	$243	D	F	30	6	1983
202.	**J.R. Abbott Construction** Seattle, WA General contractor	1,381	11,326	765	D	E	65	9	1983
203.	**Quad-S Consultants** (213) Baton Rouge, LA Provides automation consulting svcs.	1,380	2,353	159	D	B	24	2	1981
204.	**Presentables-Cinzia** (288) Sausalito, CA Mfrs. & distr. women's intimate apparel	1,379	5,058	342	C	C	17	6	1980
205.	**R.S. Young Excavating** Flint, MI Provides underground excavating svcs.	1,377	3,027	205	C	F	35	9	1979
206.	**Dash, Straus & Goodhue** (326) Boxborough, MA Laboratory equipment analysis	1,372	2,664	181	C	A	34	8	1980
207.	**Insurance Consulting Assoc.** (225) Petaluma, CA Provides insurance svcs.	1,370	1,837	125	C	F	35	5	1978
208.	**Consolidated Planning** Charlotte, NC Provides financial svcs.	1,369	5,202	354	C	B	100	14	1981
209.	**Hanson Graphic** Milwaukee, WI Provides graphic design svcs.	1,366	1,877	128	A	B	15	4	1980
210.	**C.R. Klewin** Norwich, CT General contractor	1,357	33,770	2,317	D	D	90	25	1982
211.	**Financial Supermarkets** (146) Poughkeepsie, NY Provides financial svcs.	1,352	2,758	190	A	C	18	10	1978
212.	**Vanderveer Group** Fort Washington, PA Provides mkt. consulting & research svcs.	1,347	12,709	878	D	E	120	11	1979
213.	**La Quemazon Wholesale** El Paso, TX Distr. housewares, toys, & novelties	1,342	3,360	233	D	C	12	3	1980
214.	**C-CUBED** (315) Alexandria, VA Provides electronic communications svcs.	1,334	7,642	533	D	F	126	21	1974
215.	**N.H.S.** Soquel, CA Distr. sports equipment	1,332	11,711	818	D	D	33	8	1969
216.	**Technistics** (155) Arlington, VA Provides engineering svcs.	1,331	6,224	435	C	C	92	10	1982
217.	**Strategic Radio Research** (176) Chicago, IL Provides mkt. research to radio stations	1,325	2,109	148	D	D	20	5	1980
218.	**Crown Products** Addison, IL Mfrs. plastic processing equipment	1,308	10,000	710	E	F	35	8	1983
219.	**Shawmut Design & Construction** (158) Boston, MA General contractor	1,308	7,689	546	D	E	60	12	1980
220.	**Integrated Systems Analysts** (44) Arlington, VA Provides defense systs. engineering svcs.	1,305	36,429	2,593	D	D	485	60	1980
221.	**All Gulf Contractors** Mobile, AL Provides asbestos-abatement svcs.	1,302	4,289	306	C	B	34	11	1980
222.	**American Cimflex** (5) Pittsburgh, PA Mfrs. software-intensive products	1,298	35,449	2,535	D	F	295	65	1982
223.	**Benshaw** Glenshaw, PA Mfrs. industrial motor controls	1,297	2,933	210	C	F	37	6	1983
224.	**Staubach** (420) Dallas, TX Sells real estate	1,296	14,643	1,049	D	F	160	27	1977
225.	**Ginger Group** Jenkintown, PA Produces fruit juices & drinks	1,295	4,240	304	D	E	10	1	1980
226.	**Control Systems** (111) St. Paul, MN Mfrs. computer components	1,293	13,578	975	C	A	96	8	1976
227.	**Hard Engineering** (302) Huntsville, AL Mfrs. communications test equipment	1,291	1,948	140	C	E	17	3	1981
228.	**Park Cardiographics** Taunton, MA Provides diagnostic medical svcs.	1,270	13,052	953	A	A	85	21	1981
229.	**FLS Services** (195) Dallas, TX Provides insurance for financial institutions	1,260	1,578	116	A	A	35	12	1979
230.	**Ad Dimensions Products** Carol Stream, IL Mfrs. paper pads & specialty papers	1,255	4,146	306	C	D	72	7	1983
231.	**Popcorn Palace & Candy Emporium** Irvine, CA Retails gourmet popcorn & candy	1,248	2,655	197	D	D	16	3	1982
232.	**Logicraft** (261) Nashua, NH Mfrs. networking computer products	1,248	5,444	404	C	F	37	5	1975
233.	**Health Care Associates** Avon, CT Operates nursing homes	1,246	39,009	2,898	C	B	1,500	110	1976
234.	**Professional Business Schools** (416) St. Louis, MO Operates private vocational schools	1,240	3,538	264	D	E	190	15	1977
235.	**Early & Associates** Harrisonburg, VA General contractor	1,235	1,642	123	D	C	16	10	1982

*A: 16% or more; B: 11% to 15%; C: 6% to 10%; D: 1% to 5%; E: Break-even; F: Loss

#213
LA QUEMAZON WHOLESALE
EL PASO, TEX.

JACA DYKINGA

Jose Javier Calderon, far left

When Jose Javier Calderon and his family first began selling closeout merchandise from El Paso stores at local flea markets, almost all the business came from Mexicans crossing the border. Today, La Quemazon Wholesale still sells mostly to Mexicans, but the company does more of the crossing itself.

"Half our business is wholesale export to small Mexican customers, with many of their orders in the $300 to $1,000 range," says Calderon, a first-generation American whose parents are Mexican. "Our biggest competitors are Koreans, who don't know our people or our language."

The company's three retail shops' clientele also continues to be predominantly Mexican. Carrying briefcases full of cash, they cross the river and travel the one U.S. block to buy housewares and action toys at the El Paso store.

"Operating a border business is completely different from other businesses in the United States," says Calderon. He has to think biculturally—"when we buy china, for instance, we have to get light, elegant colors for Americans, and bright colors with big patterns for Mexicans"—and 90% of his customers speak only Spanish.

#256 LIBERTYVILLE LINCOLN/MERCURY

LIBERTYVILLE, ILL.

ANDY GOODWIN

Julius Marks

People who live in Libertyville, Ill., call it a sleepy little town, a quiet suburb of Chicago. But there's nothing sleepy about Libertyville Lincoln/Mercury, a dealership that last year sent 12,220 cars off into the sunset and grew an astonishing $100 million, to $212 million in revenues.

Budget Rent-A-Car had a lot to do with it. Company president Julius Marks is a former Budget franchisee who convinced the corporation to buy Lincolns and Mercurys from him; in 1987 Marks went from being a regional supplier to Budget's sole national source for its corporate-owned locations. The account exploded by some 5,000 cars to make up 83% of Libertyville's sales.

Still, moving five new cars a day in retail is in itself no mean feat, especially considering there are two dozen other L/M dealers in the area. Leasing has been the key: retail sales have jumped 33% since Libertyville started the program last year. "Leasing makes luxury affordable," says Marks. "Ford encourages it because people switch leased cars sooner than they buy new ones; the merchandise turns over faster. And for us, it means more customers."

	Company (1987 rank) Business description	Sales growth 1983–87 Percent increase	'87 sales ($000)	'83 sales ($000)	Profit range* '87	Profit range* '83	No. of employees '87	No. of employees '83	Date founded
236.	**After the Stork** (119) Albuquerque, NM Retails children's clothing by mail	1,235%	$5,006	$375	B	A	50	3	1980
237.	**Systech Computer** (23) San Diego, CA Mfrs. communications interfaces	1,232	15,708	1,179	C	C	141	19	1981
238.	**Pennsylvania Computer** West Chester, PA Sells computers	1,223	6,945	525	C	E	35	3	1982
239.	**Viking Engineering** Tarpon Springs, FL Mfrs. pressure washers for painting contractors	1,222	2,155	163	D	D	17	2	1981
240.	**Parkman** Taunton, MA Develops & manages real estate	1,220	14,775	1,119	D	D	101	30	1982
241.	**Roddy Temporary Svcs.** (227) Ann Arbor, MI Provides temporary-help svcs.	1,212	2,466	188	C	B	390	54	1978
242.	**Reflections Jewelers** Des Plaines, IL Retails jewelry	1,199	1,559	120	A	B	8	4	1983
243.	**Mona, Meyer & McGrath** (470) Bloomington, MN Provides PR svcs.	1,193	4,798	371	C	C	75	19	1981
244.	**IMRS** (172) Stamford, CT Develops financial data-mgmt. software	1,191	3,434	266	D	C	30	6	1981
245.	**O/E Automation** (94) Troy, MI Sells & leases office automation equipment	1,191	70,014	5,424	D	C	570	18	1979
246.	**Numismatic Invest. of New England** Salem, NH Sells U.S. rare coins	1,181	4,406	344	D	C	8	3	1982
247.	**Reider Racing Enterprises** Wyandotte, MI Distr & resells auto gear sets	1,163	2,248	178	B	D	4	2	1980
248.	**Data Share** Wichita, KS Mfrs. computer cables & accessories	1,160	2,054	163	D	D	20	4	1982
249.	**Betras Plastics** Spartanburg, SC Mfrs. imprinted plastic drinkware	1,155	11,334	903	D	D	180	25	1983
250.	**Emmis Broadcasting** (38) Indianapolis, IN Radio broadcasting	1,154	33,646	2,683	F	F	270	65	1979
251.	**American Appliance Outlets** San Antonio, TX Retails appliances & electronics	1,153	12,443	993	D	D	31	5	1983
252.	**Serrot** (338) Huntington Beach, CA Fabricates & installs plastic linings	1,151	13,558	1,084	D	D	95	25	1978
253.	**Systems Programming** San Francisco, CA Designs custom software	1,149	2,011	161	A	F	20	3	1981
254.	**MDA Dental Plans** Southfield, MI Administers dental programs	1,147	12,095	970	D	F	59	2	1980
255.	**North American Roofing** (178) Carmel, IN Provides roofing svcs.	1,145	14,320	1,150	B	D	150	63	1980
256.	**Libertyville Lincoln/Mercury** Libertyville, IL Sells automobiles	1,143	211,692	17,026	D	D	85	34	1981
257.	**Rue de France** Newport, RI Mfrs. & retails lace curtains	1,143	2,063	166	D	A	35	2	1982
258.	**Interactive Business Systems** (43) Oak Brook, IL Provides data-processing svcs.	1,142	9,167	738	D	F	135	21	1981
259.	**First Manhattan Consulting Group** New York, NY Provides mgmt. consulting svcs.	1,141	14,652	1,181	A	A	50	30	1980
260.	**Microdynamics** Dallas, TX Provides CAD/CAM systs.	1,139	18,026	1,455	C	F	162	30	1979
261.	**Morris & Raper Realtors** (20) Atlanta, GA Sells new homes	1,137	40,367	3,263	A	B	42	6	1979
262.	**Rossin, Greenberg, Seronick & Hill** Boston, MA Full-service advertising agency	1,135	3,039	246	B	A	38	6	1983
263.	**SIR Group** Dallas, TX Provides insurance svcs.	1,135	3,742	303	E	D	20	3	1983
264.	**Original Copy Centers** (199) Cleveland, OH Owns & operates copy center	1,130	3,321	270	D	A	72	5	1975
265.	**Micrografx** Richardson, TX Develops & mkts. graphics software	1,127	5,203	424	A	E	20	3	1982
266.	**Woodworkers Supply of NM** (286) Albuquerque, NM Retails woodworking supplies & tools	1,122	22,898	1,874	D	D	65	25	1972
267.	**Bramarq Construction** Fallsington, PA General contractor	1,121	7,339	601	C	D	30	9	1972
268.	**Eye Spy Photo** Mableton, GA Retails novelty photos	1,117	2,167	178	E	A	16	5	1983
269.	**Gary A. Taylor Construction** (120) Jackson, TN General contractor	1,114	4,747	391	D	C	30	9	1980
270.	**Ghafari Associates** (34) Livonia, MI Provides architectural & engineering svcs.	1,103	8,671	721	D	D	158	23	1982

*A: 16% or more; B: 11% to 15%; C: 6% to 10%; D: 1% to 5%; E: Break-even; F: Loss

#300
PRESTAGE FARMS
CLINTON, N.C.

HENDERSON MUIR PHOTOGRAPHY

Bill Prestage

It's an old adage, confides Bill Prestage, that the only thing dumber than turkeys is the guy who works with them. But turkeys aren't that dumb (contrary to popular belief, they will not look up at the sky during a rain shower and drown), and neither are the people at Prestage Farms, a poultry- and pig-production company that this year will sell 6 million turkeys and 190,000 hogs.

The company contracts with farmers in North Carolina, giving them piglets and poults—along with feed, veterinary services, and technical advice—to raise in their own facilities. Such an arrangement has become common in the turkey business over the past 10 years but is a relatively recent development for swine, though Prestage thinks that will change. "This is a commodity business. When we buy vitamins to make our feed, for instance, we're buying in bulk. We'll save half a cent here, half there, and it adds up."

Prestage's timing couldn't have been better. Many of his contract farmers originally grew corn, soybeans, and tobacco, and have been anxious to diversify production. Per capita consumption of turkey meat, meanwhile, has increased from 11 pounds per year to 17 since 1983.

	Company (1987 rank) Business description	Sales growth 1983–87 Percent increase	'87 sales ($000)	'83 sales ($000)	Profit range* '87	'83	No. of employees '87	'83	Date founded
271.	**Advertising Consultants** (182) Tulsa, OK Provides specialty advertising svcs.	1,100%	$3,817	$318	D	D	12	3	1981
272.	**P.J. Marketing Services** South Bend, IN Sells promotional products	1,100	2,388	199	D	C	7	1	1975
273.	**Molly Maid** (298) Ann Arbor, MI Provides residential cleaning svcs.	1,097	2,538	212	F	F	1,685	287	1979
274.	**Prima Die Casting** (381) Clearwater, FL Mfrs. die cast & trim die molds	1,095	6,381	534	D	F	120	25	1965
275.	**Plow & Hearth** (202) Madison, VA Sells country-living products by mail	1,083	5,215	441	D	F	26	6	1980
276.	**Communications Design** Stamford, CT Provides telecommunications-mgmt. software	1,079	4,278	363	A	D	26	5	1978
277.	**Kultur Video West** Long Branch, NJ Distr. performing arts videocassettes	1,078	1,496	127	A	A	8	2	1980
278.	**Hill International** Willingboro, NJ Provides engineering & project-mgmt. svcs.	1,076	185,850	15,808	D	C	480	285	1976
279.	**Business Information Tech.** (33) Wilmington, DE Provides software systs. consulting svcs.	1,075	5,732	488	D	C	63	18	1981
280.	**BCP Technical Services** (71) New Orleans, LA Provides engineering consulting svcs.	1,068	9,673	828	D	C	68	12	1981
281.	**Flagstaff Engineering** Flagstaff, AZ Mfrs. & sells computer peripherals	1,066	6,217	533	B	B	41	5	1982
282.	**Applied Energy Services** (70) Arlington, VA Operates independent power-production facilities	1,064	37,753	3,244	D	A	200	20	1981
283.	**Richardson Turner Construction** Knoxville, TN General contractor	1,052	5,494	477	D	D	18	3	1981
284.	**CareerTrack** (10) Boulder, CO Provides professional dvlpmt. training	1,050	38,005	3,306	B	F	188	27	1982
285.	**Core International** Boca Raton, FL Mfrs. & sells hard disk drives	1,044	15,931	1,393	C	B	65	5	1981
286.	**Broughton Systems** Richmond, VA Develops computer systs.	1,041	1,255	110	C	F	20	4	1981
287.	**National Systems & Research** (300) Col. Sprgs., CO Provides systs. engineering svcs.	1,038	13,871	1,219	D	C	200	40	1980
288.	**Bacova Guild** (374) Bacova, VA Mfrs. hardware & home furnishings	1,036	19,090	1,681	C	C	152	37	1965
289.	**MCF Machine** Canton, OH Mfrs. hydraulic components	1,017	1,619	145	D	B	18	4	1981
290.	**Advanced Practice Management** (92) Clearwater, FL Provides mgmt. & mkt. consulting svcs.	1,011	4,756	428	D	D	75	14	1981
291.	**Corporate Merchandise** (360) Santa Ana, CA Retails mail-order products	1,011	1,722	155	A	E	7	2	1981
292.	**Computerware** (108) Bristol, PA Retails microcomputers	1,011	16,296	1,467	D	D	55	8	1982
293.	**National Independent Business** Wayne, PA Provides benefit svcs. to small businesses	1,011	11,673	1,051	A	A	22	2	1983
294.	**Mayfair Computers** Wauwatosa, WI Sells computers	1,010	3,429	309	C	E	20	3	1983
295.	**Frontier Engineering** Stillwater, OK Mfrs. electronic instrumentation	1,008	14,858	1,341	D	D	302	39	1973
296.	**Aquidneck Mgmt. Assoc.** (95) Middletown, RI Provides systs.-mgmt. & security svcs.	1,008	8,751	790	F	C	204	5	1981
297.	**Temps & Co.** (122) Washington, DC Provides temporary-help svcs.	1,006	21,864	1,977	D	D	86	8	1981
298.	**Herring-Newman Direct Resp. Advert.**, Seattle, WA Advertising agency	999	5,395	491	C	B	35	5	1983
299.	**Carlstedt Construction** Indianapolis, IN General contractor	996	11,566	1,055	D	D	40	10	1982
300.	**Prestage Farms** Clinton, NC Produces pork & poultry products	996	51,553	4,705	B	F	145	28	1983
301.	**Manitowoc Custom Molding** Manitowoc, WI Mfrs. thermosetting plastic parts	995	3,373	308	C	F	51	16	1983
302.	**Physician Sales & Service** Jacksonville, FL Distr. medical supplies to physicians	990	20,083	1,843	D	D	147	15	1983
303.	**Montalbano Builders** Westmont, IL Designs & produces semicustom luxury homes	989	19,098	1,753	A	D	34	8	1975
304.	**Smart** (443) Torrance, CA Provides hospital svcs.	986	14,509	1,336	D	D	740	480	1976
305.	**BioGenex Laboratories** San Ramon, CA Mfrs. immunological products	986	1,162	107	A	F	35	6	1981

*A: 16% or more; B: 11% to 15%; C: 6% to 10%; D: 1% to 5%; E: Break-even; F: Loss

#324
ONEIDA ASBESTOS REMOVAL INC.
MARCY, N.Y.

BOB MAHONEY

Frank DuRoss

The year was 1981, and it seemed Johns-Manville Corp. was being sued by everyone who'd ever handled its asbestos. Frank DuRoss had a profitable janitorial-services business in upstate New York, and read an article about schools being ordered to remove the stuff. "A guy at the EPA was saying there weren't enough people to do it," remembers DuRoss, "and I figured we could." Within six months DuRoss and his brother James had started a new company specifically for asbestos abatement, and contracts from school districts began pouring in.

Today, work from schools and military facilities accounts for just half of Oneida's business, the rest coming from corporations and mortgage lenders requiring a building's clean bill of health. Disposal of the removed material has become a major problem: three years ago Oneida paid $2 per bag and used municipal dumps and landfills; now, it must pay up to $9 per bag to private haulers. Still, the company's net margins topped 16% last year.

	Company (1987 rank) Business description	Sales growth 1983–87 Percent increase	'87 sales ($000)	'83 sales ($000)	Profit range* '87	'83	No. of employees '87	'83	Date founded
306.	**Burdco Environmental** Traverse City, MI Provides asbestos-abatement svcs.	978%	$6,704	$622	C	D	100	15	1976
307.	**Archery Center International** Monroe, MI Distr. archery equipment	971	2,141	200	D	F	15	1	1980
308.	**Year One** Tucker, GA Distr. antique auto parts	969	3,634	340	D	E	17	5	1980
309.	**Buckingham Computer Services** Midland, MI Provides computer svcs.	968	1,549	145	D	B	26	3	1982
310.	**Walker Communications** Scottsdale, AZ Provides advertising & PR svcs.	968	1,431	134	D	D	7	2	1982
311.	**Super 8 Motels** (73) Aberdeen, SD Franchises economy motels	968	77,328	7,242	D	D	241	78	1973
312.	**Advanced Systems Development** (45) Arlington, VA Provides computer consulting svcs.	962	6,034	568	D	C	102	16	1979
313.	**Teltrend** (93) St. Charles, IL Mfrs. telecommunications equipment	958	40,112	3,791	B	C	345	108	1979
314.	**Pretty Punch Shoppettes** Sanford, FL Mfrs. craft supplies	958	3,332	315	C	C	65	4	1981
315.	**SCR Coaches** Fargo, ND Provides tow, travel, & bus svcs.	956	2,175	206	C	F	15	1	1983
316.	**Washington Consulting Group** Washington, DC Provides technical consulting svcs.	955	16,449	1,559	D	D	150	30	1979
317.	**Dura Temp** Holland, OH Mfrs. non-asbestos materials for glass industry	953	2,137	203	A	F	6	5	1983
318.	**Quick-Flight Stair** Atlanta, GA Mfrs. prefab wooden staircases	952	3,754	357	C	D	42	7	1983
319.	**Helicomb International** Tulsa, OK Mfrs. composite panels for aerospace industry	950	4,306	410	D	E	80	20	1981
320.	**Georgia Mountain Water** Marietta, GA Sells bottled water & rents coolers	947	1,099	105	D	F	20	5	1981
321.	**Simmons Communications** Stamford, CT Operates cable TV systs.	946	31,403	3,003	F	F	270	58	1982
322.	**Great Midwestern Ice Cream** Fairfield, IA Mfrs. ice cream	945	2,549	244	F	F	35	3	1979
323.	**Kaminari** Brea, CA Distr. auto aerodynamic components	944	1,472	141	A	A	16	8	1980
324.	**Oneida Asbestos Removal** (278) Marcy, NY Provides asbestos-abatement svcs.	944	10,164	974	A	D	100	40	1981
325.	**Innovative Computer Products** Indianapolis, IN Mkts. communications hardware & software	943	5,968	572	D	D	23	7	1983
326.	**GAR-P Industries** Medley, FL Mfrs. truck bodies	942	1,438	138	B	B	18	4	1978
327.	**ABS** (106) Wichita, KS Produces direct mailings	938	5,440	524	D	C	220	34	1979
328.	**McCaren Designs** (406) St. Paul, MN Provides interior planiscaping	937	1,556	150	D	F	26	8	1977
329.	**Stephen J. Levine & Assoc.** (181) Santa Fe Sprgs, CA Distr. restaurant equipment	937	5,993	578	D	C	29	6	1980
330.	**ACCEL Courier Systems** Waldwick, NJ Provides delivery svcs.	936	1,668	161	D	D	43	10	1981
331.	**Design East Interiors** Concord, NH Commercial & model home merchandiser	936	1,295	125	B	D	12	5	1982
332.	**Kaselaan & D'Angelo Assoc.** Haddon Heights, NJ Provides environmental consulting svcs.	933	9,382	908	B	A	153	10	1980
333.	**Ovation Marketing** La Crosse, WI Advertising agency	933	1,869	181	D	D	52	6	1978
334.	**Santa Cruz Operation** (228) Santa Cruz, CA Develops & mkts. multiuser software	931	27,743	2,690	D	C	421	50	1979
335.	**United Agencies** (197) Cape Canaveral, FL Sells life insurance	926	7,984	778	C	D	1,508	903	1980
336.	**Technology Applications** Alexandria, VA Provides professional and technical svcs.	925	52,121	5,087	D	D	435	116	1977
337.	**Consumer Health** Newport Beach, CA Operates prepaid dental health-care plan	924	15,018	1,467	D	D	237	12	1979
338.	**Cinecom Entertainment Group** New York, NY Distr. motion pictures	922	13,164	1,288	E	F	85	7	1982
339.	**Little & Co.** (147) Salt Lake City, UT Provides mortgage field svcs.	921	4,776	468	C	A	60	12	1979
340.	**RPM Rent-A-Car System** Inglewood, CA Provides auto & truck rental svcs.	920	4,262	418	C	C	46	4	1982

*A. 16% or more; B. 11% to 15%; C. 6% to 10%; D. 1% to 5%; E. Break-even; F. Loss

#374 BARTER EXCHANGE INC.

AUSTIN, TEX.

Matthew O'Hayer

We're always flattered when people tell us INC. has affected how they do business. But Matthew O'Hayer has taken it a step further. He says he'd never even *heard* of the bartering industry until he read about it here. He was so intrigued that he started Barter Exchange Inc., which joins the INC. 500 in its first year of eligibility.

BEI coordinates the trading of goods and services for 4,000 companies nationally; a restaurant, for example, might serve BEI members and get paid in trade dollars, which it then uses to get menus printed or buy media time. "Bartering is just another marketing tool," says O'Hayer, who makes the bulk of his money from a 10% charge (in Uncle Sam's dollars) on transactions.

BEI, by the way, is one its own biggest customers. BEI uses trade dollars (paid monthly by members) for Peat Marwick Main & Co. accounting, as well as for its computers, cellular phones, fax machines, printing, most of its advertising, and even part of its payroll. "We've got three employees about to get married," says O'Hayer, "and they're using trade dollars to pay for bridal dresses, tux rentals, receptions, and photographers."

	Company (1987 rank) Business description	Sales growth 1983–87 Percent increase	'87 sales ($000)	'83 sales ($000)	Profit range* '87	'83	No. of employees '87	'83	Date founded
341.	**Oil Express** Kirkland, WA Provides auto oil change svcs.	915%	$1,746	$172	C	C	35	6	1983
342.	**BMC Software** (371) Sugar Land, TX Develops & mkts. software	911	28,043	2,775	A	C	173	27	1980
343.	**R.B. Associates** Columbia, MD Operates weight-loss center	908	1,895	188	A	F	11	8	1983
344.	**Structural Systems** Gaithersburg, MD Distr. building components	907	13,945	1,385	D	B	55	10	1968
345.	**Intelligent Controls** Novi, MI Provides svcs. & products to auto industry	906	2,576	256	C	F	45	10	1982
346.	**Braaten Oil** Janesville, WI Mkts. petroleum	904	10,350	1,031	C	B	8	3	1976
347.	**Advanced Systems Concepts** Schaumburg, IL Develops & mkts. software	898	1,218	122	E	A	6	2	1982
348.	**Continuous Forms & Checks** Peachtree City, GA Mfrs. continuous business forms	898	7,936	795	C	D	123	21	1982
349.	**International Galleries** Lincoln, NB Provides direct-mkt. svcs.	893	5,153	519	C	F	63	8	1973
350.	**Team Food Management** Michigan City, IN Operates pizza franchise	893	10,273	1,035	D	D	153	17	1982
351.	**Protel** Lakeland, FL Mfrs. coin telephone retrofit kits	891	2,646	267	C	A	36	5	1983
352.	**Viking** Wayne, PA Constructs & renovates ice arenas	888	1,779	180	D	D	2	1	1977
353.	**ERM Group** (426) Exton, PA Provides environmental engineering svcs.	887	66,850	6,775	C	D	339	91	1977
354.	**Cyberchron** Cold Spring, NY Mfrs. & distr. military computer & electronic systs.	884	39,147	3,978	E	D	20	10	1974
355.	**Skyline Displays** (293) Burnsville, MN Mfrs. portable displays & graphics	883	13,272	1,350	C	D	62	20	1980
356.	**Tower Homes** Middleburg, PA Mfrs. mobile homes	881	10,459	1,066	D	F	109	103	1983
357.	**Viromed Laboratories** Minnetonka, MN Mfrs. tissue culture products	880	2,274	232	C	D	23	7	1982
358.	**Southwest Royalties** Midland, TX Produces oil & gas	880	1,852	189	A	A	10	3	1983
359.	**Coiltron** Tigard, OR Mfrs. power supplies, transformers, & coils	876	1,708	175	D	F	45	4	1982
360.	**Encore Marketing International** Lanham, MD Provides travel svcs.	876	50,032	5,127	C	D	213	34	1978
361.	**Comlinear** (220) Fort Collins, CO Mfrs. signal processing components	873	8,165	839	B	F	103	12	1980
362.	**Cencom Cable Associates** Chesterfield, MO Operates cable TV syst.	871	9,508	979	F	F	350	40	1982
363.	**CDC Financial** (212) Farmington, CT Provides mortgage & equity financing	871	6,252	644	B	A	21	5	1981
364.	**Head West** Compton, CA Mfrs. mirrors & screen printing	868	5,946	614	D	D	88	19	1977
365.	**Millrock** Sanford, ME Mfrs. custom store interiors	868	3,06	317	D	B	50	2	1981
366.	**Xyquad** St. Louis, MO Provides computer consulting svcs.	865	4,624	479	D	B	43	3	1979
367.	**Ruby Restaurant Group** Costa Mesa, CA Operates 1940s-diner theme restaurants	865	5,906	612	D	B	350	30	1982
368.	**Network Rental** (263) Atlanta, GA Rent-to-own household appliances	862	15,929	1,655	F	B	202	90	1981
369.	**Schiffer Mason Contractors** Holt, MI Mason contractors	861	10,325	1,074	D	D	159	27	1973
370.	**Advanced Sciences** Albuquerque, NM Provides environmental engineering svcs.	855	9,380	982	D	F	100	50	1977
371.	**Syme** (389) Chagrin Falls, OH Mfrs. metal containers for hazardous-waste disposal	855	9,453	990	C	E	75	2	1976
372.	**Marathon Printing** Philadelphia, PA Provides offset printing svcs.	851	1,008	106	C	C	21	5	1981
373.	**Tod[illegible]y's Temporary** (74) Dallas, TX Provides temporary-help svcs.	850	21,289	2,242	D	D	52	15	1982
374.	**Barter Exchange** Austin, TX Provides barter svcs.	848	2,123	224	D	D	25	5	1983
375.	**Human Resources** (249) Stamford, CT Provides permanent- & temporary-help svcs.	846	2,894	306	E	D	25	5	1979

*Profit range: B: 11% to 15%; C: 6% to 10%; D: 1% to 5%; E: Break-even; F: Loss

	Company (1987 rank) Business description	Sales growth 1983–87 Percent increase	'87 sales ($000)	'83 sales ($000)	Profit range* '87	'83	No. of employees '87	'83	Date founded
376.	**Glen Ivy Financial Group** (410) Corona, CA Develops real-estate & time-share resorts	838%	$44,061	$4,699	C	C	500	110	1975
377.	**SpeeDee Oil Change Systems** Metairie, LA Provides oil change & tune-up svcs.	834	1,364	146	A	F	74	9	1980
378.	**J.T. Schrimsher Construction** Huntsville, AL General contractor	833	32,649	3,500	D	D	190	60	1946
379.	**ParaData Comp. Net.** (235) Farmington Hills, MI Distr. computer hardware & software	831	10,810	1,161	D	D	70	30	1979
380.	**Intergroup of Arizona** (57) Tucson, AZ Provides health-maintenance svcs.	827	65,532	7,068	D	D	105	16	1981
381.	**FLC Instruments** Aurora, IL Mfrs. instrument control systs.	826	2,658	287	D	E	25	3	1980
382.	**Planning Analysis** Arlington, VA Provides information technology svcs.	826	2,241	242	D	D	30	4	1981
383.	**COSMOS** (317) Washington, DC Provides technical assistance & consulting svcs.	824	2,422	262	C	D	35	5	1980
384.	**KarmaK Sftwr. & Cmptr. Svcs.** (163) Carlinville, IL Provides software dvlpmt. svcs.	823	2,484	269	F	F	25	8	1981
385.	**Prestige Products** Los Angeles, CA Distr. auto accessories	818	20,841	2,270	D	D	100	12	1979
386.	**White Pine** (139) Middleton, WI Retails silk clothing by mail	815	7,021	767	B	D	9	4	1981
387.	**Williams Marketing Services** Grand Rapids, MI Provides mkt. consulting svcs.	813	2,100	230	A	F	17	4	1978
388.	**Physician's Weight Loss Centers** (184) Akron, OH Franchises weight-loss centers	812	26,581	2,915	A	A	45	22	1979
389.	**NCO Financial Systems** Blue Bell, PA Provides financial svcs.	808	935	103	C	D	20	3	1926
390.	**Currier Construction** (290) Auburn, NY General contracting & mgmt.	807	3,438	379	D	F	12	10	1976
391.	**O'Ryan Industries** Vancouver, WA Mfrs. fiber-optic & laser lighting	806	2,391	264	D	F	21	6	1982
392.	**Just Fish** Winslow, WA Produces & sells seafood products	804	2,575	285	D	E	5	1	1982
393.	**Corporate Visions** Washington, DC Provides graphics & design svcs.	803	1,733	192	F	D	24	2	1983
394.	**Lely Development** Naples, FL Develops land	795	16,583	1,852	C	F	18	23	1965
395.	**Good News Travels** (385) Easley, SC Provides group tours	794	1,278	143	F	F	7	3	1981
396.	**Francioli Richartz Weiman & Fliss** Parsippany, NJ Provides advertising & PR svcs.	794	4,200	470	B	C	7	5	1980
397.	**Super Wash** Morrison, IL Runs coin-operated car wash facilities	793	8,501	952	C	C	19	3	1981
398.	**Virtual Technology** Rochester Hills, MI Distr. computer equipment	793	9,276	1,039	C	C	30	3	1983
399.	**Landair Transport** (136) Greeneville, TN Provides transportation svcs.	791	19,362	2,173	D	B	418	57	1981
400.	**Scosche Industries** (269) Moorpark, CA Mfrs. auto accessories & publications	787	2,608	294	D	F	33	6	1980
401.	**Strategic Data Systems** (27) Sheboygan, WI Develops application software	785	5,777	653	C	F	75	25	1981
402.	**HUB City Kansas City Terminals** Overland Park, KS Provides rail & highway shipment svcs.	783	14,660	1,661	D	E	14	4	1983
403.	**Henley International** Sugar Land, TX Mfrs. & distr. medical equipment	781	6,750	766	D	F	75	7	1976
404.	**Krieger Travelers Rest, SC** Provides textile dyeing & embroidery finishing svcs.	781	17,622	2,000	C	E	270	15	1983
405.	**Tops & Trends** Kernersville, NC Installs auto accessories	778	922	105	D	F	10	2	1982
406.	**W.T. Quinn** (128) Somerset, NJ Publishes advertising catalogs	777	4,981	568	D	D	35	1	1982
407.	**CIMLINC** Elk Grove Village, IL Develops & mkts. software	776	34,487	3,937	D	F	244	96	1981
408.	**Weathashade** Apopka, FL Mfrs. plastic lawn & garden products	773	7,131	817	D	F	71	18	1981
409.	**Accutest Laboratories** (304) Dayton, NJ Environmental & medical testing lab	772	2,973	341	D	E	48	20	1956
410.	**DMI Products** Fort Worth, TX Mfrs. residential lighting products	771	1,821	209	D	D	6	2	1981

*A: 16% or more; B: 11% to 15%; C: 6% to 10%; D: 1% to 5%; E: Break-even; F: Loss

#392
JUST FISH INC.
WINSLOW, WASH.

Julie Just

When Julie Just was hired to do sales for a fish-trading start-up, she had no idea that the president would grow disillusioned within the month. Or that he'd quit, and sell his 80% share and liability for the debt to her for $400. Or that she'd operate the company out of her house for the next two years, eventually hire a couple of other people, and end up marrying the other investor in the business. But life, as they say, is what happens when you're making other plans.

Says Just, whose previous jobs have included waiting tables, picking apples, and helping to run a salmon farm: "I always figured my lot in life was to be a bookkeeper. In essence, that's what I do now, but on a broader scale."

She arranges for fishermen to ship salmon directly from Alaska to her wholesale customers in the States and abroad; sometimes she traipses down to the Puget Sound docks herself to pick out, unload, ice up, and truck off the best fresh-caught fish.

Her finest compliment? She sent a Japanese client, known for his particularly high standards, a sample of the fish that was filling his 15,000-pound order. "He told me later that he didn't even look at it. He said, 'I didn't have to—I know I can count on you.' That's a sign that we're doing something right."

#439 and #76 BULLDOG MOVERS INC./ ALPHA PRODUCTS INC.

ATLANTA, GA.

ANN STATES

Richard Williams and Jim Scott

It's impressive enough to make the INC. 500 with one company before your 28th birthday. But evidently that wasn't enough for Jim Scott and Richard Williams: they've done it with *two*.

First came the idea for strapless sun visors—plastic wedges that clip onto the wearer's head. Scott and Williams, figuring they could make enough to pay for their third year at the University of Georgia, convinced a mold maker to do the work for no money down, and they were off.

They bought a van "in anticipation of all the visors we'd be carrying to UPS," but the mold maker got behind schedule. Necessity being the mother of invention, they ran a few ads claiming "college students will move you for less," and they were off—again.

Within a year and a half, Bulldog Movers had 15 trucks and was the biggest intrastate moving company in Georgia. And last year, Alpha Products sold about 10 million visors.

Which company are they concentrating on now? Heeding the advice Dustin Hoffman so blithely ignored in *The Graduate*, Jim Scott earnestly answers: "Plastics. That's where we see our future."

	Company (1987 rank) Business description	Sales growth 1983–87 Percent increase	'87 sales ($000)	'83 sales ($000)	Profit range* '87	'83	No. of employees '87	'83	Date founded
411.	**Arizona Pipeline** Apple Valley, CA Underground utility construction	771%	$20,472	$2,350	D	C	369	103	1979
412.	**Van Horn Designs** (164) Alexandria, VA Mfrs. women's scarves & neckwear	771	2,334	268	D	F	44	7	1982
413.	**KOH Systems** (109) Rockville, MD Provides mgmt. consulting svcs.	769	8,608	991	D	C	180	40	1980
414.	**Law Auto Sales** Wayne, MI Sells used vehicles	768	3,741	431	D	D	11	3	1935
415.	**EC** (67) Knoxville, TN Provides engineering & CAD consulting svcs.	768	20,366	2,347	D	F	440	124	1977
416.	**Winter Gardens Salad** New Oxford, PA Mfrs. salads, soups, & desserts	763	5,531	641	D	D	116	31	1974
417.	**Straight Status** New Castle, IN Sells mkt. aids	763	2,131	247	D	F	20	5	1982
418.	**Schlott Realtors** (266) Wayne, NJ Provides real-estate brokerage svcs.	762	53,868	6,249	F	D	600	115	1971
419.	**Great Pickings Office Supply & Computer** Elgin, IL Retails office supplies	761	1,042	121	D	F	10	3	1981
420.	**Continental Traffic Service** Memphis, TN Provides auditing & payment svcs.	759	69,032	8,036	A	F	32	8	1955
421.	**N.T.B. Fastening Systems** Mosinee, WI Mfrs. plastic roofing fasteners	758	2,223	259	D	B	9	2	1982
422.	**Arizona Tube & Core** Phoenix, AZ Mfrs. paper tubes for packaging industry	753	1,271	149	D	F	15	2	1983
423.	**Life Design Systems** (472) Carrollton, TX Mfrs. & sells respirators & anesthesia products	752	8,075	948	A	D	148	40	1977
424.	**Vesoft** Los Angeles, CA Designs & mkts. software packages	748	3,299	389	A	A	24	3	1980
425.	**Perma-Chink System** Redmond, WA Mfrs. coatings & sealants	748	2,051	242	C	F	13	5	1983
426.	**T.P.I.** Chamblee, GA Provides painting & wall-covering svcs.	743	2,041	242	D	F	85	35	1981
427.	**Action Awards** Snellville, GA Distr. screen-printed products	742	2,880	342	D	D	38	7	1973
428.	**Jones & Neuse** (169) Austin, TX Provides eng. & environmental consulting svcs.	742	5,261	625	B	A	67	7	1982
429.	**T & M Computer Supply** Westmont, IL Sells computer supplies	741	2,372	282	D	F	12	4	1977
430.	**MMS International** (468) Redwood City, CA Provides on-line market analysis	741	19,705	2,344	A	D	150	43	1974
431.	**Garrett/Lynn & Partners** Reno, NV Provides advertising svcs.	739	1,158	138	B	E	11	2	1983
432.	**Media Cybernetics** Silver Spring, MD Devs. computer-based imaging & graphics software	734	4,437	532	B	A	50	5	1981
433.	**TYX** Reston, VA Mfrs. aerospace software systs.	733	3,807	457	A	F	23	18	1982
434.	**Data Systs. Computer Centre** (222) Springfield, NJ Sells & svcs. microcomputer equipment	733	64,183	7,708	D	D	201	50	1973
435.	**Corporate Supply** (125) Van Nuys, CA Supplies computer & office supplies	731	3,666	441	D	B	35	5	1982
436.	**MPM** Medfield, MA Mfrs. & mkts. screen printers	726	3,386	410	C	D	26	10	1968
437.	**Performance Coatings** (129) Ukiah, CA Mfrs. & mkts. clear wood finish	726	2,634	319	A	A	7	1	1983
438.	**Computer Advisory Group** Lancaster, PA Provides professional svcs.	726	1,131	137	D	C	15	3	1983
439.	**Bulldog Movers** Atlanta, GA Moves household & office furniture	725	2,104	255	C	D	70	20	1982
440.	**GHR Engineering Associates** New Bedford, MA Provides environmental consulting svcs.	723	8,736	1,062	D	D	90	20	1967
441.	**C.J.P. Development** (61) Cranbury, NJ Distr. & installs residential siding	722	8,659	1,054	D	D	250	50	1972
442.	**Burks Door & Sash** Carmel, IN Mfrs. & distr. building materials	719	2,645	323	C	C	11	3	1977
443.	**Personal Computer Centre** (149) Lawndale, CA Sells computer software & hardware	717	31,982	3,916	D	D	86	6	1976
444.	**Command Security** (358) Poughkeepsie, NY Provides security svcs.	715	4,059	498	D	D	500	100	1963
445.	**J.H. Benedict & Associates** Daytona Beach, FL Advertising agency	713	1,024	126	D	C	5	3	1974

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#468
E-MU SYSTEMS INC.
SCOTTS VALLEY, CALIF.

Scott Wedge

How has a small U.S. maker of electronic musical instruments survived in an industry dominated by the Yamahas and Rolands of the world? Credit, in part, Michael Jackson.

When Jackson used E-mu Systems' experimental synthesizer to sculpt his best-selling album *Thriller*, E-mu became the talk of the town. By the time Japanese imitations started pouring into the States, E-mu already had the credibility of gold records and movie soundtracks—not to mention a whole new generation of products.

"Our lead time was several years," says chairman and CEO Scott Wedge. "And actually, by the time [the Japanese] got here, the exchange rate had shifted so radically that comparable synthesizers weren't any less expensive."

Despite the company's success, Wedge has been unable to tap any venture capital. "We've got 20 products we want to work on, but we can fund development of only one or 2. It's frustrating—the biggest threat we face from the Japanese isn't their technology, it's the fear they instill in investors."

	Company (1987 rank) Business description	Sales growth 1983–87 Percent increase	'87 sales ($000)	'83 sales ($000)	Profit range* '87	'83	No. of employees '87	'83	Date founded
446.	**Temporary Solutions** (417) Manassas, VA Provides temporary help svcs.	713	$6,956	$733	D	D	22	7	1980
447.	**J-B Wholesale Pet Supplies** Hawthorne, NJ Sells mail-order pet supplies	712	2,509	309	D	E	12	4	1982
448.	**Abington Steel** Brookville, OH Fabricates metal	710	2,660	353	D	F	28	5	1983
449.	**Victor Graphics** Baltimore, MD Prints & binds books & publications	709	8,556	987	D	F	50	15	1983
450.	**Sunquest Information Systems** (301) Johnstown, PA Creates & installs medical lab information systs.	708	21,514	2,663	B	A	145	18	1979
451.	**VIP Personnel** Durham, NC Provides permanent & temporary help svcs.	703	1,333	166	D	E	13	5	1967
452.	**Consul-Tech Engineering** Pompano Beach, FL Provides land planning & consulting svcs.	703	1,854	231	A	A	35	4	1982
453.	**John B. Sullivan Jr.** Bedford, NH General contractor	702	15,179	1,892	F	D	41	13	1970
454.	**Great Expectations** Los Angeles, CA Provides video dating svcs.	701	3,270	408	D	D	20	10	1976
455.	**Sunglass Distributors** Richmond, VA Wholesales products to grocery stores	700	808	101	C	C	5	2	1981
456.	**Empire Roofing** Fort Worth, TX Provides commercial & industrial roofing svcs.	699	3,548	444	A	A	15	6	1982
457.	**Villa Enterprises** Durham, NH Owns & operates pizza chain	698	20,004	2,507	A	A	75	15	1969
458.	**ADM Video Productions** Port Washington, NY Produces videos & commercials	698	1,280	161	B	D	11	6	1981
459.	**Computer Consulting Svcs.** Upper Saddle River, NJ Provides computer consulting svcs.	697	824	104	F	F	11	3	1982
460.	**Sterling Boiler & Mechanical** Evansville, IN Mechanical contracting	696	16,585	2,093	D	D	200	30	1982
461.	**Playsystems** Maple Valley, WA Mfrs. playground equipment	692	895	113	D	B	7	2	1982
462.	**Penn Lyon Homes** (17) Selinsgrove, PA Mfrs. modular homes	691	40,303	5,094	C	F	370	71	1981
463.	**Coastal Production Services** Rockport, TX Provides oil-field & offshore production svcs.	689	1,515	192	C	E	28	4	1979
464.	**Omega Printing** Bensenville, IL Provides commercial printing svcs.	688	2,373	301	D	C	19	6	1979
465.	**UVEST Brokerage Services** Charlotte, NC Provides securities brokerage svcs.	688	938	119	E	F	7	5	1982
466.	**Chesapeake Industrial Leasing** Baltimore, MD Leases business & industrial equipment	686	1,407	179	C	F	19	6	1979
467.	**Just Brakes & Affiliates** Bryan, TX Provides auto repair svcs.	683	7,706	984	F	A	200	7	1981
468.	**E-mu Systems** Scotts Valley, CA Mfrs. & mkts. electronic musical instruments	683	9,643	1,232	D	C	105	42	1971
469.	**Sunny Waterbeds & Accessories** Orlando, FL Mfrs. waterbed frames & accessories	682	1,329	170	B	A	32	3	1982
470.	**MarketVision Research** (224) Cincinnati, OH Provides mkt. research svcs.	682	3,463	443	C	F	24	6	1982
471.	**Domation** Columbus, GA General contractor	680	858	110	C	F	12	2	1983
472.	**Kitchen Etc.** North Hampton, NH Retails kitchenware & dinnerware	678	4,958	637	D	F	28	5	1972
473.	**Sensor Developments** Lake Orion, MI Engineering firm	676	2,197	283	C	D	38	5	1976
474.	**J.C. Beal Construction** Ann Arbor, MI General contractor	675	4,738	611	D	F	20	3	1962
475.	**Sparta** Huntsville, AL Develops systs. & technology for space program	675	36,695	4,733	C	D	340	89	1979
476.	**Key Nursing** (376) Thibodaux, LA Provides nursing svcs.	669	3,001	390	D	C	400	60	1982
477.	**Ortho Management Systems** Norcross, GA Distr. dental hardware & software	669	6,126	797	C	D	52	3	1982
478.	**Skoda, Minotti, Reeves** (474) Mayfield Village, OH Accounting firm	667	1,265	165	D	D	22	4	1980
479.	**Marketing Masters International** Norcross, GA Distr. trade show products	663	1,068	140	D	F	5	1	1982
480.	**IKR** Houston, TX Provides international mkt. svcs.	663	923	121	D	F	4	1	1979

A: 16% or more; B: 11% to 15%; C: 6% to 10%; D: 1% to 5%; E: Break-even; F: Loss

	Company (1987 rank) Business description	Sales growth 1983–87 Percent increase	'87 sales ($000)	'83 sales ($000)	Profit range* '87	Profit range* '83	No. of employees '87	No. of employees '83	Date founded
481.	**Computer Mgmt. & Dev. Svcs.** (272) Harrisonburg, VA Sells computer software	661%	$2,031	$267	F	F	52	10	1980
482.	**Five Star Industrial Services** West Chester, PA Mechanical contractor & shop fabricator	660	3,900	513	D	F	66	12	1979
483.	**Murphy & Associates** Mercer Island, WA Provides data-processing svcs.	660	1,117	147	D	B	21	7	1981
484.	**American Computer Professionals** (277) Columbia, SC Provides computer consulting svcs.	659	5,991	789	C	E	110	25	1979
485.	**AmeriTemps** Indianapolis, IN Provides temporary-help svcs.	659	1,230	162	D	F	5	2	1983
486.	**Strategic Management Group** (188) Philadelphia, PA Mkts. business simulations & mgmt. software	657	4,241	560	C	A	40	6	1981
487.	**Southern Machine & Tool** Tampa, FL Produces aerospace components	656	2,738	362	E	F	45	5	1954
488.	**ERA Computers & Electronics** Los Altos, CA Sells computers & peripherals	656	8,671	1,147	D	D	28	6	1983
489.	**Windline Amanet** (365) Los Angeles, CA Mfrs. marine & industrial products	651	2,059	274	C	D	26	8	1980
490.	**Coast Surveying** Tustin, CA Provides surveying & mapping svcs.	651	1,608	214	D	A	26	6	1981
491.	**Pizza People** (456) Marietta, OH Owns & operates pizza franchises	649	18,816	2,512	F	D	700	220	1972
492.	**AIM Executive** (160) Toledo, OH Provides human-resource consulting svcs.	648	7,840	1,048	A	A	60	23	1977
493.	**Bowser Cabinet & Casework** (259) Poway, CA Mfrs. cabinets	648	2,528	338	D	C	33	10	1979
494.	**Epcom** Troy, MI Develops engineering & automation computer syste	647	1,718	230	D	B	30	5	1981
495.	**Stride Rite Booteries** Reynoldsburg, OH Retails children's shoes	646	1,642	220	D	D	15	3	1983
496.	**Advanced Energy Industries** (179) Fort Collins, CO Mfrs. electronic power supplies	645	13,870	1,862	B	B	148	54	1981
497.	**Schuler & Sadowski** Somerville, NJ Provides advertising & PR svcs.	645	1,221	164	D	F	8	5	1964
498.	**Access** Roswell, GA Provides data-processing consulting svcs.	641	2,400	324	A	A	49	7	1980
499.	**Computer Source** Greenville, SC Retails computer systs.	640	14,373	1,943	D	D	100	15	1980
500.	**Atrium Medical** (386) Hollis, NH Mfrs. cardiovascular implants	638	3,304	448	A	F	25	12	1981

*A: 16% or more; B: 11% to 15%; C: 6% to 10%; D: 1% to 5%; E: Break-even; F: Loss

#486 STRATEGIC MANAGEMENT GROUP INC.

PHILADELPHIA, PA.

Spero, Aronson, and Gekoski

Not enough money to make payroll? Creditors knocking on your door? No problem. Joe Gekowski will help. Gekowski and co-founders Leslie Spero and Michael Aronson, who head Strategic Management Group, aren't kind-hearted bankers. They're teachers. And the companies they bail out are created by a computer.

Who plays the training firm's game? Senior and middle managers of *Fortune* 500 companies, mostly. And sure enough, says Gekowski, many groups end up teetering on the brink of bankruptcy.

HOW THE INC. 500 WERE SELECTED

HERB SNITZER

Sara Baer-Sinnott

Putting together the INC. 500, like qualifying for the list itself, is a long-term team project. As soon as one year's package is sent to press, the process begins again, searching for nominees by contacting accounting firms, venture capitalists, state development agencies, trade associations, chambers of commerce, and business publications. More than 17,000 potential candidates received nomination forms this year.

To gain a spot on the 1988 INC. 500, a company must have been independent and privately held on August 1, 1988, the day applications were due. This year's rankings are based on the percentage increase in sales from 1983 through 1987. Each company must have shown an increase in sales between 1986 and 1987, and its sales in 1983 should have been no less than $100,000 but not more than $25 million. Holding companies, regulated banks, and utilities are not eligible.

Information on each application was verified by phone both with company officials and with their accountants—a painstaking task of checking and rechecking that falls mainly to our summer interns. If your company is on this year's list, you talked with Katherine Apruzzese, a Dartmouth College senior; Elizabeth Beebe, a senior at Amherst College; Vera Gibbons, a Trinity College senior; Jeff Kalil, a junior at Haverford College; or 1988 graduates Suzanne Maclachlan from Colby College or Lisa Pomeroy from Vanderbilt University. Gibbon's telephone manner must have been impressive—two CEOs asked her out, and another proposed marriage.

The INC. 500 is prepared under the direction of special projects editor Sara Baer-Sinnott. Also helping to compile the list this year was assistant research editor Deborah Weeks. Leslie Brokaw authored the brief profiles that appear among the listings. Senior editors Curtis Hartman and Michael Hopkins shared responsibility for the final package.

The information published here is the only material INC. will make available.

HANDS ON

A Manager's Notebook

WHO FOOTS THE BILL?

% of small companies offering employer-sponsored health coverage

	1978	'85
Manufacturing	81%	83%
Wholesale	73	73
Transportation	60	73
Construction	66	73
Financial svcs.	56	65
Professional svcs.	49	62
Retail	46	58
Service	48	52
Agriculture	52	48
All companies	57	65

The percentage of small companies (fewer than 100 employees) paying for health insurance has increased to 65%, but still lags well behind larger businesses. In 1986, 95% of all employees in medium and large companies participated in employer-sponsored health insurance.

National Federation of Independent Business Inc., 1985

LAW

BATTLING THE GRAY MARKET

If you subcontract with a foreign manufacturer, the gray market may be a threat to your business. But now, thanks to a recent U.S. Supreme Court ruling, you can help protect yourself by 1) carefully wording your agreement with the subcontractor, and 2) registering with the U.S. Customs Service.

Unlike counterfeit black-market goods, which are manufactured illegally, gray-market goods are legally produced but distributed in unauthorized ways. If, for instance, a foreign company has sold you its trademark for exclusive use in the United States, then tries to compete with you here by distributing the product itself, that product is a gray-market import.

Here's how you can help Customs guard your interests by blocking the product at the border. First, be sure that your relationship with the overseas manufacturer is contractually defined as licensee/licensor—if you're affiliated with the gray marketer as either parent or subsidiary, Customs won't protect you. And remember to let the Customs Service in on your arrangement: record your trademark with it. □

MANAGING PEOPLE

RECREATION BY COMMITTEE

An extensive, company-sponsored recreation and social program can be a boon to morale—but it can also be a fiscal and managerial nightmare to the CEO who has to administer it. Jack Stack, CEO of Springfield Remanufacturing Center Corp., in Springfield, Mo., was so intent on fostering healthy relations with his 450 employees that he began feeling more like a camp director with each passing athletic season. His solution? Set a budget, and then let your employees divvy it up themselves.

"It's really hard to please everybody," says Stack. "You don't know how to draw the line and be fair at the same time." So he established a recreation committee for each of his plants. Eight employees, elected annually, receive a budget of $5,000 with which to fund company softball and volleyball teams, fishing tournaments, and a company picnic. "It gets rid of the little headaches for managers," Stack says, "and it gives employees a taste of what it's like to be a manager." □

HIRING

AN EYE FOR DETAIL

You know that certain jobs in your company require workers with a passionate devotion to detail, and you do your best to hire people who will fit the bill. Trouble is, how can you judge whether an interviewee will exhibit the necessary zeal when actually on the job?

According to Ron Gregg, CEO of Outdoor Research Inc., in Seattle, the best way to figure it out is simply to listen. When Gregg, whose company makes expedition equipment, interviews job candidates and escorts them on a company tour, he pays careful attention to their offhand remarks and casual observations—either about their past experiences or what they're seeing at his company.

"If someone is vague in a description of his or her past job, it's a tip-off," Gregg says. "We had to interview about a hundred people before we found our current production manager, who was the only candidate to remark on the stitching, fabrics used, and other details in our products." □

FINANCE

'IF YOU WANT US TO GAMBLE, YOU'LL HAVE TO GAMBLE, TOO'

Suppose you've shopped your borrowing needs and decided that the lender you *really* want to work with is too pricey. You negotiate hard for an upfront rate cut, but the bank won't budge. Is there anything else you can do to persuade your banker to reduce your interest expense?

Probably, says Dean Treptow, CEO of First Bank Brown Deer, in Brown Deer, Wis.: try proposing a wager. "As bankers, we look at past performance. Customers, however, want us to consider future projections—including things like new contracts that will bring higher earnings, or plans to reduce their leverage ratio. We'll say, 'Fine, but if you want us to gamble, you'll have to gamble, too.' "

Here's how it works: let's say the bank is offering prime plus 2%, and you want prime plus 1%. The bank makes the loan at the higher rate, but skims off the amount representing the one-point difference—say, $10,000—and puts it into an escrow account. If you achieve the agreed-upon projections, you get the money back. For partial achievement, you get a partial return.

And for zero achievement? Not only would you forfeit all the money, but you'd be forced to concede that the banker was, in fact, right in the first place. □

CHARTS: CYNTHIA DAVIS

HANDS ON

A Manager's Notebook

BANKING RELATIONS

KEEP IN TOUCH WITH NUMBER TWO

A common frustration in dealing with banks comes from watching loan officers move on just as you are getting comfortable in the relationship.

While there's little you can do to prevent what sometimes seems a lemminglike migration of bankers, you *can* help cushion the potentially damaging blow to your business. How? Cultivate a relationship with the junior officer on your account.

"That's the person likely to be handling the day-to-day activities of your account anyway," says JoAnn Eick, assistant vice-president of Society National Bank, in Cleveland. "If a new senior officer is brought in, you'll have some continuity." And if the junior person is promoted, you'll already be a step ahead as the game starts again. □

A SURVEY OF T&E POLICY

% of companies that reimburse employees for business travel and entertainment costs

	Company size (# employees)		
	1-100	101-1,000	1,001-10,000
Meals	94%	97%	98%
Taxi	85	93	94
Tips	86	91	93
Guests' meals	68	73	70
Phone home	41	64	66
Drinks	33	44	38

Survey results from previous years show there has been little change in reimbursement policy for most expenses. However, willingness to cover guests' meals (95% to 71% overall), and drinks (55% to 39% overall), has decreased.

Source: Administrative Management Society

MARKETING

IT DOESN'T HAVE TO BE FREE TO BE GOOD

Few companies these days fail to recognize the importance of offering great customer service, but that doesn't mean you have to give it away. Karmak Software Inc., in Carlinville, Ill., abandoned an old-style service policy for one that asks customers to pay more if they want more support—and the switch has worked.

Under the old plan, a fixed customer-service charge was tacked onto every sale. Customers treated the add-on as just another component in the software price, and didn't hesitate to call on Karmak's service department as if its time were free. Service costs, says CEO Richard Schein, began wrecking the company's bottom line. "Instead of using the manuals or actually learning the system, people would call us with every itty-bitty problem. And we were paying for it because we guaranteed unlimited consultation after the sale."

When Schein studied actual customer-service activity, he found no correlation between number of calls made to Karmak and the size of a customer's system. "We just found that some customers want Karmak to take care of everything, while others have a systems manager and rarely need us."

Now, customers must sign up in advance for the level of service they want—a set number of calls per month and a surcharge for calls in excess of the contracted number.

"If a customer wants us to answer a simple question that could have been looked up in the manual, or if he has such high turnover that we have to go in and train people again and again, it's not a problem," says Schein. "They're paying for it, not us anymore."

Schein won't say how profitable customer service has become, but he claims, "It's so great we doubled the size of the department." □

QUOTE OF THE MONTH

'All the entrepreneurs I know want to retire and become venture capitalists. But all the venture capitalists I know want to retire and become entrepreneurs.'

—Stevan Birnbaum, of Oxford Partners, a Santa Monica, Calif., venture capital firm

TRAINING

BOOK OF THE MONTH CLUB

What with all the daily newspapers, weekly magazines, and trade journals you have to read, odds are you don't have time to read the books that might help you—or your employees—run your business.

Alison Davis, who runs a public-relations firm in Hackensack, N.J., has a potential solution: book reports.

Once a month, an employee of Davis, Hays & Co. talks about a book he or she has read. "We don't assign books," says Davis. "The book just has to be related somehow to our business, and you have to give an old-fashioned, sixth-grade book report. You tell us what the book was about, what was interesting, and what you learned that would help us."

The company pays for the books, employees can read them on company time, and the book reports are given during office hours.

The reports have an added benefit, says Davis. "Since we go before the group and use overhead projectors and charts, it helps us work on our presentation skills." □

Reported by Paul B. Brown, Leslie Brokaw, Teri Lammers, and Ellie Winninghoff

SEEING IS BELIEVING

Some tips on the use of video camcorders in business

BY CARY LU

It's a rare technology that moves from the home into business. Telephones and computers, for example, became household regulars only after they were well established in business. Video cameras and recorders, in contrast, have been popular in homes for a decade and only recently have begun moving into the workplace.

Most businesses still reserve videotapes for special occasions, such as trade shows. Demonstrating a piece of machinery can be done much more effectively with pictures and sound than in print. Training new employees might also best be done with the help of video.

But consider, too, your weekly management presentation. Practicing in front of a mirror might show you a few ways to improve your form, but watching a videotape of a real meeting is the best way to see yourself as others see you. Applied analytically, this technique can lead to dramatic improvements in the style, and even the content, of your presentations.

Or what about using video to keep an audiovisual notebook? You can tape a company meeting or a conference for those who couldn't make it, put together a realistic tour of potential new office or store locations, and even record interviews with job applicants to let more people in your company size up potential hires.

Finally, consider this idea: instead of putting your polished 10-minute product profile on a cassette with only 10 minutes of tape (as most professional duplicating services do), put it at the beginning of a standard two-hour tape, and give this tape to your prospective clients. They can watch the tape at home and then rewind and reuse it for whatever they want. This strategy can ensure you private time with a prospect, time that may be hard to come by in a busy office.

You have two choices for making business videotapes: hire a professional video production company, or do it yourself. For critical tapes—a key sales presentation or public introduction—a professionally produced tape is usually the best choice. Expect to spend about $8,000 to $13,000 for a polished 10-minute video and far more if you want something really fancy.

For less-than-special occasions, however, doing it yourself is becoming more and more practical. To tape a presentation for internal review, for example, you need only a video camera, recorder, and a tripod—just aim and shoot. With the proliferation of equipment for the home video market, you have plenty to choose from for your average business needs. And you won't need to hire a professional photographer: anyone who has mastered a 35-millimeter single-lens reflex camera will have little trouble picking up the basics of making a business video.

So, to get video up and running in your company, you'll need to budget for the video maker's time, and make a onetime investment in equipment. A 10-minute video takes from a few hours to a day or so to make. The total outlay for basic equipment bought through a discount house is about $3,000 for a camcorder (a compact combination video camera and recorder), a tabletop videocassette recorder (VCR), a television, and an editing controller.

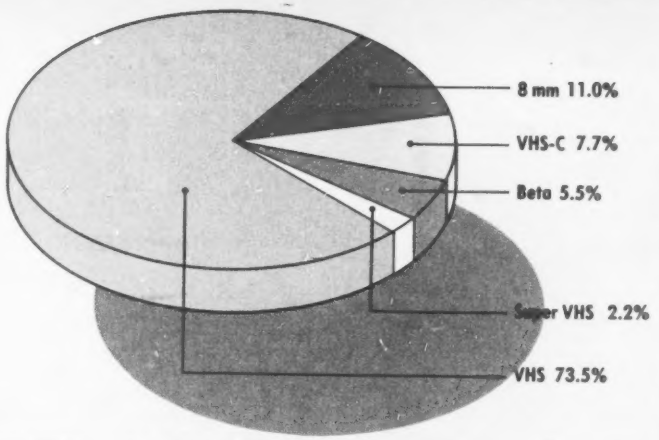
Equipment choices

What kind of equipment should you look for? The key difference among types of video equipment is format. Probably the most familiar format is full-size VHS, which has dominated the home VCR market since Sony's Beta began fading some five years ago. Today the main choice is between VHS and 8 millimeter.

VHS (Video Home System) is actually a family of formats that use half-inch-wide tape. Full-size VHS tapes hold two hours of video at the highest and best-quality speed, six hours at the slowest speed. (An eight-hour tape is available but not recommended for ordinary use.) Camcorders that take full-size VHS tapes are big and heavy; they are fine for use around the office but are cumbersome if you have to travel with them. The main advantage of full-size VHS camcorders is playback ease; you can pop a tape directly from the camcorder into any VHS deck.

VHS also comes in a compact format called VHS-C; the tape cassettes and camcorders are about one-third as big as full-size VHS equipment, so they are much easier to take on the road. With a slightly awkward adapter, VHS-C cassettes can also be played on any VHS deck. VHS-C cassettes run for only 20 minutes at the standard recording speed, however, so they are not suited to long taping sessions.

1988 SURVEY OF HOUSEHOLD VIDEO CAMERA OWNERS



Source: *1988 Consumer Photographic Survey*, Photo Marketing Association International

The type of camcorder you choose for business use will depend on many things, not the least of which is convenience.

BRUCE SANDERS

At the slowest speed, a VHS-C cassette will run for one hour, but you must be willing to accept a poor picture.

Better video-recording techniques have modified ordinary VHS to produce two other formats that boast a significantly sharper picture: full-size Super VHS and compact Super VHS-C. Super VHS decks and camcorders can record and play back ordinary VHS tapes, but an ordinary VHS recorder cannot play back a Super VHS tape. Both ordinary and Super VHS images can be viewed on any television, however. The improvement of Super VHS over ordinary VHS is striking enough so that if you decide on the VHS format, you should get Super VHS for recording tapes.

Even smaller than VHS-C or Super VHS-C, and technologically more advanced, is the 8-millimeter format (not to be confused with 8-millimeter movies). About the size of an audiocassette, an 8-millimeter tape can hold as much as two hours at normal recording speed and four hours at slow speed. The 8-millimeter VCRs and camcorders are better designed than their VHS counterparts, and the format has other advantages as well.

Because the format is small, 8-millimeter camcorders can incorporate a full set of recording and playback features that are lacking in VHS and VHS-C camcorders. Smaller size means lower power requirements: an 8-millimeter camcorder can use smaller batteries than a VHS model. And 8-millimeter has a special advantage: because compatible equipment is rare in homes, your employees are less likely to borrow the camera for their kids' birthday parties. The one area where the 8-millimeter format lags behind VHS is picture sharpness, but an updated format, 8-millimeter Hi-Band, which should have about the same sharpness as Super-VHS, will appear by 1989.

Once you have decided which format you like, choosing a camcorder boils down to its features, including convenience. Just reading the specs of different models won't tell you everything because overall convenience depends on your specific combination of camcorder and playback VCR. (See box, "What to Look for in a Camcorder," page 170, for a comparison of four popular camcorders.)

Video cameras have been popular at home for nearly a decade, but have just begun moving into the workplace.

Editing techniques

A videotape will almost always need editing before it is presentable. A rough but effective form of editing can be accomplished during playback with indexing, a feature on many recent VHS and 8-millimeter camcorders and VCRs that invisibly marks the beginning of every scene on a tape. When you are playing back an indexed tape, you can skip to the next scene or skip a number of scenes. You haven't eliminated the bad or unnecessary takes, but at least you can fast-forward past them.

To make a finished video, you need to create an edited tape by copying, or dubbing, selected sections from the original tape onto a new tape. You can do this man-

WHAT TO LOOK FOR IN A CAMCORDER
A shopper's guide

Four popular camcorders are reviewed here—Sony's 8-millimeter CCD-F40, and three Super VHS-C models: Panasonic's PV-S150, Toshiba's SK-S80, and Zenith's VM6500. (These models, and many others on the market, may also be sold under different brand names. The Zenith VM6500, for example, is the same as the JVC GR-S55, and the Panasonic PV-S150 is also sold as the Magnavox VR9260.) All four are priced below $1,700, and all work well, although they are quite different. Whatever camcorder you decide on, you will need at least two accessories: a spare battery and a tripod, which can eliminate the shaky pictures that always plague handheld shooting.

■ **Size and handling.** All four models are the compact variety that most people should opt for, with the Zenith being the smallest and the Toshiba the largest. To shoot, you hold the unit in front of you, much like a still camera. (Full-size VHS camcorders have one advantage over these compact units in that they sit on your shoulder while you are taping, a more stable position).

Of the four, the Zenith handles best: its handgrip is near its center of gravity, and its controls are well placed for easy operation. Sony's 8-millimeter unit ranks second in "feel." The handgrip on the Panasonic is so far forward that the camera does not balance well in your hand, and its controls are less convenient. The relatively bulky Toshiba has its tape-transport controls (play, rewind, and so forth) on top toward the front, where they are hard to operate quickly. It ranks last for handheld shooting, but it is the only model that comes with a full-function remote control that lets you shoot without being next to the camera.

■ **Picture quality.** The images produced by all three Super VHS camcorders are sharper than the 8-millimeter image, but, as it turns out, sharpness isn't everything. In a comparison of the same scenes shot with all four camcorders, indoors and out, bright colors in the 8-millimeter picture came closest to what you see with the naked eye; there was less distortion of straight lines; and the light and color in scenes with bright sunlight and dark shadows were better balanced. Among the Super VHS models, the Toshiba gave the best picture. The Panasonic was next, trailed by the Zenith, which had the most trouble handling mixed sunlight and shade.

■ **Sound quality.** Camcorders all have built-in microphones, which pick up sound effectively as long as your subject is close enough. The built-in microphones also record sounds you may not want; in a quiet location, you can pick up the camera motor. The Sony is the quietest of the four models. The Panasonic runs a close second, and the Toshiba and Zenith camcorders pick up a little motor noise in a quiet room. All the camcorders can also accept external microphones.

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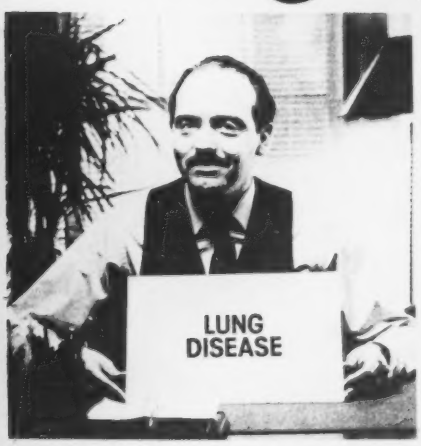

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ually with two connected VCRs: put the original tape in one VCR (the playback deck) and record onto the second (the recording deck). The process—starting and stopping each deck as you find the scenes you want to preserve—is tedious, and the results are usually pretty ragged unless you are able to control the decks accurately.

The first practical device for making do-it-yourself video editing easier is the editing controller DirectED, from Videonics Inc. You mark the beginning and end of each scene you want to keep, and DirectED assembles them semiautomatically. DirectED works with most video equipment, including camcorders; the only requirement is that the recording deck have an infrared remote control, which the DirectED uses to turn the deck on and off. For editing 8-millimeter tapes, Hama makes Videocut 10, an editing controller that takes advantage of the Control "L" remote-control jack built into most 8-millimeter camcorders. The recording deck can be any format with an infrared remote control.

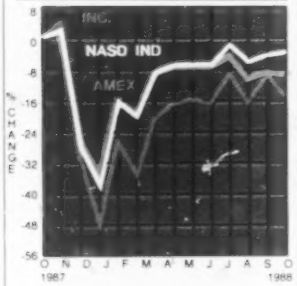
If you've mastered a 35-millimeter single-lens reflex camera, you can pick up the basics of making a business video.

You'll want multiple copies of many of the videotapes you make. If you need more than a few, send the original finished tape to a video-duplication service. With two VCRs, you can make copies yourself, of course, and you can convert your tape to another video format. To convert an 8-millimeter original into VHS, for example, you'll need to copy from an 8-millimeter VCR connected to a VHS recorder. For tapes you are planning to circulate outside your company, you will almost always want copies in the full-size ordinary VHS format, which is currently the most widespread in the consumer market.

In the future, personal computers will play an increasing role in business video production. Camcorders and VCRs will come with built-in computer interfaces, so a complete editing system could be built around a personal computer. Such a system will be much easier to use than the editing equipment available today. Improvements of this kind will help make video indispensable to businesses. □

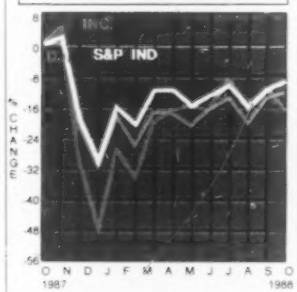
INVESTING IN GROWTH COMPANIES

INC. vs. CONSERVATIVE AVERAGES



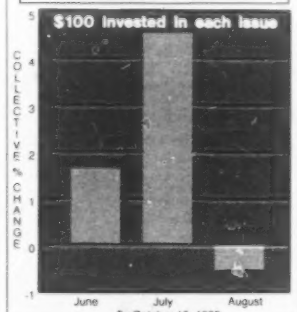
All averages start at 0 in September 1987

INC. vs. SPECULATIVE AVERAGES



All averages start at 0 in September 1987

IPOs IN THE AFTERMARKET



INITIAL PUBLIC OFFERINGS: SEPTEMBER 1988

O-T-C sym.	Company	Business/product	Offering Size ($mil.)	Offering Price	First aftermarket bid	Underwriter
AAF[A]	American Government Income Portfolio	Closed-end fund	187.50	10.00	10	Piper, Jaffray
NGAS	Associated Natural Gas	Gas transmission & distr	18.75	10.00	9⅞	Dillon, Read
APOOU	Automobile Protection	Provides administrative svcs. to car industry	3.60	5.00[C]	8¼	D. H. Blair
CMLE	Casual Male	Operates mens clothing stores	12.50	10.00	9⅞	Alex. Brown
DFSE	DF Southeastern	Savings & loan	27.32	11.00	11	Robinson-Humphrey
FT[A]	Franklin Universal Trust	Management investment co	230.00	10.00	10	Paine Webber
HTG[B]	Heritage Media	Owns & operates TV & radio stations	22.50	4.50	4½	R. G. Dickinson
MVF[B]	MuniVest Fund	Closed-end fund	480.00	10.00	*0	Merrill Lynch
RM[B]	RYMAC Mortgage Investment	Real-estate investment trust	52.00	10.00	10	Drexel Burnham
TPLXU	Topologix	Mfrs. home-improvement prods.	3.30	6.00[D]	6	Wakefield Financial
WWTK	Weitek	Supplies VLSI circuits	16.00	10.00	10¼	Morgan Stanley
WDI[B]	World Income Fund	Closed-end fund	270.00	10.00	10	Merrill Lynch

Initial public offerings sold at $1 or less not included. First aftermarket bid is approximate. [A] trading on NYSE. [B] trading on AMEX. [C] units of 3 common + 3 warrants. [D] units of 6 common + 1 warrant. Offering data source: *GOING PUBLIC: THE IPO Reporter*, a publication of The Dealer's Digest Inc., 150 Broadway, New York NY 10038.

STREET TALK The media turned the anniversary of the 1987 crash into an event. TV crews broadcast from the exchange floor, magazines quoted economists, but for all the to-do, scant advice was aired. That's because even a year later, no one knew what to make of the meltdown: leastwise the New York Stock Exchange. As a hastily contrived anniversary present, the NYSE promised to suspend all trading for an hour should the DJIA fall 250 points. That useless gesture was rendered yet more ineffectual by its not even being expressed as a percentage. Wouldn't it make a significant difference if the 250-point plunge started from Dow 1,500 rather than 3,000? The NYSE, which otherwise rubber-stamps its members' bidding in terms of computer arbitrage and similar screw-the-little-man indulgences, threw another sop to the public by ruling that after a certain stage of panic, small orders would take precedence over institutions'. *That's* the best that emerged from the Brady Commission?

The main reason a marketwide intraday suspension is exactly what *shouldn't* be enacted is that as the DJI approaches a predefined trigger point, portfolio managers would shovel on even more stock in hopes of getting rid of it before the market closed, to reopen perhaps hundreds of points lower. Such dread would no doubt exacerbate a panic, not stem it. The NYSE already provides for a halt in trading in an individual issue when there is an imbalance of orders that the specialist firm can't handle on its own. The delay provides breathing room during which the specialist can drum up matching orders. If the NYSE assumes that when the entire *market* takes a breather every specialist need make a few phone calls to get his stock going in orderly fashion an hour later, maybe we'd better rethink more severe controls, like Japan's. A blanket shutdown, even a brief one, threatens to set commerce back to 1933, when FDR bought time by declaring a bank holiday. You know what happened next. —*Robert A. Mamis*

CHARTS: IMAGEBUILDER DESIGN

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